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Executive Summary

Piedmont 6th Cycle Housing Element

A. What is the Housing Element and why does it have to be updated?

- The Housing Element is a key part of a city's General Plan and must be updated every eight years, per State law.
- This project will update the Housing Element for the period of 2023 to 2031. The time period of 2023 to 2031 is the 6th housing element cycle (6th cycle).
- The Housing Element will set forth the City's fair housing goals, policies, and programs to address the need for all housing and household types.
- By law the Housing Element must be certified by the California Department of Housing and Community Development (HCD) as meeting housing law requirements.

B. What are the components of the Housing Element?

The Housing Element will:

- Provide an analysis of development constraints and the immediate and long-term housing needs in Piedmont.
- Identify land and financial resources to meet the City's fair share of housing growth.
- Establish policies that address those needs based on the collective vision and values of the Piedmont community.
- Include programs that would help implement those policies.

"None of the employees can live in Piedmont with the exception of teenagers who live at home with their parents."
-Businesses and Institutions
Focus Group Meeting

The Housing Element, per State Law, must include:

- <u>Housing Element Review</u>: A performance evaluation of policies and programs from previous housing elements. (See Appendix D.)
- Housing Needs Assessment: A review of the existing and projected housing needs, especially regarding special needs populations (e.g., large households, low-income households, seniors, people with disabilities, and others). The demographic and data packets used in this have been pre-approved by HCD. (See Appendix A.)
- Adequate Sites Inventory: A record of suitable land with realistic capacity to accommodate the City's fair share of regional housing needs. (See Appendix B.)

- Housing Resources Assessment: A record of administrative and financial resources available to support the development, preservation, and rehabilitation of housing. (See Section III.)
- Housing Constraints Assessment: Identified governmental and non-governmental (market, environmental, and others) impediments to housing development. (See Appendix C.)
- <u>Affirmatively Furthering Fair Housing:</u> Analysis of existing fair housing and segregation issues and plan to address any identified disparities in housing needs, displacement, or access to opportunity. (See Appendix F.)
- <u>Implementation Plan:</u> Goals, policies, and programs dedicated to meeting the City's housing needs. (See Section IV.)

Adoption of the Housing Element does not:

- Require property owners to do anything to their property.
- Require the City government to physically construct new housing.
- Implement specific controls for individual neighborhoods.
- Amend the Zoning Map or City Code.

C. Why is it important that I participate in the 6th Cycle Housing Element Update?

- The analysis of Piedmont residents shows that a large portion of Piedmonters, both renters and homeowners, are cost-burdened, meaning that they pay more than 30 percent of their income on housing. People of color, seniors, and women are more cost-burdened relative to other groups of residents. Many people employed in Piedmont must travel long distances to work. In addition, as the Piedmont community continues to age, there are few options for seniors to 'downsize', move to smaller homes, and remain in the Piedmont community. Families with young children cannot find their first 'starter homes' in Piedmont.
- Your input will help shape Piedmont housing for the next 8 years and make sure policies and programs are inclusive and represent the values and ideas of the diverse population.
 Your input will guide the development of key ideas, policies, and programs to ensure the future of affordable and accessible housing in Piedmont.
- The City considers all input received through the outreach process when developing the housing plan for the 6th Cycle Housing Element. For more information on public outreach, see Section I.E, titled "Summary of Public Participation", or visit Piedmontishome.org.

D. Who is preparing and reviewing the Housing Element update?

On May 3, 2021, the City Council selected a housing consultant team lead by Lisa Wise Consulting (LWC), to prepare the Housing Element update. The Planning Commission, Housing Advisory Committee (HAC), and City Council are reviewing and providing feedback on draft documents, as well as input and guidance on the development of tasks under the Housing Element update process. Ultimately, the Housing Element update must be adopted by the City Council and must be certified by the California Department of Housing and Community Development (CA HCD) by May 2023.

E. What is the Regional Housing Needs Allocation (RHNA) and how does it relate to the Housing Element?

- Each region of the State is allocated a specific number of housing units to meet the
 projected housing needs of people in four income categories: very low, low, moderate,
 and above moderate. Income categories are measured based on Area Median Income
 (AMI). This allocation is termed the Regional Housing Needs Allocation or "RHNA."
- The RHNA determines how much housing each municipality must accommodate within city limits. Piedmont is tasked with creating a plan to ensure land use and zoning regulations allow for enough housing development to meet the needs of the community. Piedmont does not have to provide, physically construct, or develop all the housing needed but must have a plan that allows the housing to be built.
- See Section II, Projected Housing Need, for more information.
- Piedmont has a total RHNA of 587 units, categorized as follows:

Extremely and Very Low Income: 163 units

Low Income: 94 units

Moderate Income: 92 units

Above Moderate Income: 238 units

The RHNA for the 6th cycle is more than 9 times larger than the goal from the 5th cycle.
Therefore, the 6th Cycle Housing Element includes new policies and programs to increase
housing opportunities and reduce newly identified constraints to meeting the larger
housing targets (see G, below).

F. What is the Housing Element Sites Inventory?

The sites inventory (also called the available land inventory or land resources map) is a
crucial part of the Housing Element. In the sites inventory, a jurisdiction identifies where it
has capacity to meet the housing production quotas assigned to Piedmont by the State of
California and the Association of Bay Area Governments (ABAG) for all income categories
(the RHNA). It is typically in the form of a map and table listing features and characteristics

of the properties that are suitable for residential development. State law establishes criteria to determine which sites are eligible for inclusion on the sites inventory, with additional restrictions for sites identified for lower income housing. See Appendix B for more information.

 Table ES-1 below demonstrates the City's plan to accommodate the City's RHNA on sites within the City:

Table ES-1: Residential Development Potential and RHNA

	Extremely Low	Very Low	Low	Moderate	Above Moderate	Total
RHNA	See Very Low	163	94	92	238	587
ADUs	See Very Low	7	42	70	21	140
Approved/Entitled Projects	-	-	-	-	1	1
Site Inventory ^{1,2}	211 ³		81	225	517	
Total Capacity	260			151	247	658
Surplus	3		59	9	71	

Source: City of Piedmont, LWC

- 1. See Table B-9 in Appendix B for the complete inventory
- 2. See Section B.3.1 in Appendix B for information on the Specific Plan
- 3. For calculation purposes, extremely low, very low, and low income totals were grouped.

G. What are the housing goals Piedmont is working towards? What is meant by the term housing "programs"?

• The City of Piedmont's Public Review Draft Housing Element contains 7 goals, 56 policies, and 64 programs. The seven goals of the Housing Element are:



- City programs are the actions and public services that City staff will undertake and provide
 to the community over the next eight years, including the modifications to regulations and
 procedures required to comply with State law. City programs in the Housing Element must
 be consistent with other direction in the General Plan.
- Programs implement housing goals and policies and address housing needs, resources, and constraints, as identified in the Housing Element and through community input. For example:
 - New housing programs are included in response to input from the Piedmont community indicating a need for housing opportunities for people of diverse ethnic and social backgrounds, seniors, persons with disabilities, people just starting their careers, and families.
 - As noted above, the significant increase in the City's RHNA compared to previous cycles has led to changes to the City's policies and programs. The City proposes new policies and programs to update and amend development regulations and land use policies that were not previously considered a constraint, but now play a more significant role in hindering or facilitating housing development.
 - New policies and programs are included to implement the recommendations in the sites inventory analysis, prepared in Appendix B, and address constraints to facilitating fair housing, as identified in the analysis conducted in Appendix F.
 - Since the 5th cycle, the Governor has signed several new pieces of housing legislation (such as SB330, SB9, AB 2345, and AB1851) that affect housing elements and city regulations. To ensure compliance with State law, the City has proposed new policies and programs in this Housing Element.

Key Findings

(For more information see Appendices A through F.)

- Average Piedmont households make more than double the Alameda County area median income (AMI); however, housing in Piedmont is only affordable to the highest earning households. In 2019, Piedmont's median household income was \$224,659 compared to an Alameda County median income of \$99,406.
- Over 80 percent of Piedmont households earn more than 100 percent of the AMI. Approximately 14 percent of Piedmont households are very low- or low-income, earning 80 percent or less of AMI, compared to 39 percent of households in Alameda County.

"I work in Piedmont but cannot afford to live in the City."

- Community Workshop

Participant

100% 90% 80% 53% 52% Percent of Households 70% 60% 81% 50% 40% 12% 13% 30% 11% 20% 10% 6% 16% 15% 6% 0% Piedmont Alameda County Bay Area ■ 0%-30% of AMI ■ 31%-50% of AMI ■ 51%-80% of AMI 81%-100% of AMI ■ Greater than 100% of AMI

Figure ES-1: Households by Household Income Level

Notes:

Universe: Occupied housing units

Source: ABAG 2021 Pre-certified Housing Needs Data (U.S. Department of Housing and Urban Development (HUD), Comprehensive Housing Affordability Strategy (CHAS) ACS tabulation, 2013-2017 release)

- Approximately 84 percent of lower-income senior households are cost-burdened, while 10 percent of female-headed households with children live below the poverty line.
- Approximately one-fifth of households in Piedmont pay more than 30 percent of their household income on housing costs, meaning they are cost-burdened. Special housing groups, such as seniors, female-headed households, and non-White households, are more likely to face housing challenges (such as housing cost burden).

"We need affordable housing for firefighters, City staff, and teachers." - Community Workshop Participant

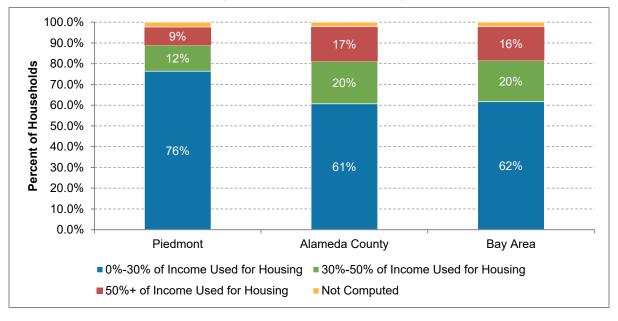


Figure ES-2: Cost Burden Severity

Notes:

Cost burden is the ratio of housing costs to household income. For renters, housing cost is gross rent (contract rent plus utilities). For owners, housing cost is "select monthly owner costs", which includes mortgage payment, utilities, association fees, insurance, and real estate taxes. HUD defines cost-burdened households as those whose monthly housing costs exceed 30% of monthly income, while severely cost-burdened households are those whose monthly housing costs exceed 50% of monthly income.

Source: ABAG 2021 Pre-certified Housing Needs Data (U.S. Census Bureau, American Community Survey 5-Year Data (2015-2019), Table B25070, B25091)

- There is limited opportunity for multi-family or residential mixed-use development, as Zone C and Zone D are relatively built out under existing development regulations. Single-family residential development makes up over 68 percent of the City's land area.
- Zoning Code doesn't allow for a variety of multi-family housing types, and development regulations for multi-family buildings are restrictive (e.g., height, setbacks, and parking).
- Since the last Housing Element, the City has updated its programs for Accessory Dwelling Units (ADUs). The City has many programs and policies to encourage ADU construction, which have been effective in creating new market-rate and affordable housing opportunities in recent years, with 22 ADUs permitted in 2021.

"Having a diversified housing stock helps everyone, including existing residents and seniors."

 Community and Housing Advocates
 Focus Group Meeting

- Since the last Housing Element, the City facilitated the redevelopment of the former PG&E substation site on Linda Avenue, which provided seven new townhomes in Zone C at a residential density nearing 20 dwelling units per acre.
- Piedmont is a community of great opportunity and is classified as an area of the highest resource based on economic, education, and environmental indicators. High resource areas are places that offer low-income residents the best chance of a high quality of life, whether through economic advancement, high educational attainment, or clean environmental health.

"We need young families in Piedmont to create a healthy and diverse community."

- Community
Workshop Participant

• The City has lower levels of segregation and isolation between neighborhoods (intra-city segregation) than average cities in the Bay Area region. However, the Piedmont community has a low population of racial groups other than non-Hispanic White, which may indicate segregation between Piedmont and the region (inter-city segregation).

How to Read and Review the Draft Housing Element

Organization.

This Housing Element is organized into four sections:

I. Introduction

Provides an overview of the Housing Element and a summary of public participation.

II. Projected Housing Need

Summarizes the City's Regional Housing Need Allocation (RHNA) by income category for the 6th Cycle.

III. Housing Resources

Documents available administrative and financial resources for housing-related activities and summarizes the available land resources to accommodate the RHNA as documented in Appendix B.

IV. Housing Plan: Goals, Policies, and Programs

The City's roadmap to achieving established fair housing goals, which sets targets to facilitate housing of all types, at al income levels.

• The draft Housing Element includes six appendices (Appendices A through F) which detail the City's required technical analyses (Appendices A through D and Appendix F) and provide supplemental outreach information (Appendix E).

How to Provide Comments

- The City is seeking input from all perspectives on the contents of the draft Housing Element. Input will be considered in subsequent revised drafts before submitting a community supported Housing Element to HCD. Some topics to consider when reviewing and providing feedback on this draft Housing Element may include:
 - Are there any housing needs (including special needs), constraints, or opportunities that have not been identified in this Housing Element update?
 - o Do I have any other ideas on fair housing policies or programs?
 - o How can I or my organization support the housing in Piedmont?
 - Any other housing-related comments, questions, or concerns?
- All interested persons are encouraged to provide comments. This can be done by participating at any upcoming meetings, providing comments through Piedmontishome.org, or emailing comments to Piedmontishome@piedmont.ca.gov. Comments on potential housing opportunity sites can be made through the Piedmont Housing Puzzle at https://piedmont.abalancingact.com/housingsim

What Happens Next

- The City of Piedmont will receive community input on the draft Housing Element update through the Spring/early Summer of 2022 and make necessary changes as directed by the Planning Commission and City Council.
- With City Council approval, the City will submit the Housing Element to HCD for review in the Summer of 2022. The City will make changes, as necessary, in response to HCD feedback and move through the Housing Element update adoption process with the Piedmont community, Housing Advisory Committee, Planning Commission, and City Council. The City is targeting adoption by May 2023.
- Potential environmental impacts of the Housing Element, including Housing Element policies and programs, will be evaluated in the Environmental Impact Report (EIR).

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Section I

Introduction

I.A Community Context

The City of Piedmont is a charter city of approximately 11,000 residents located in the East Bay Hills, overlooking San Francisco Bay. The City consists primarily of established single-family homes on quiet, tree-lined streets. Piedmont contains five city parks and numerous landscaped areas which offer wooded paths, tennis courts, children's playgrounds, and picnic facilities. Piedmont's 1.7-square-mile area is virtually built-out; its landlocked setting has influenced its historic development patterns and affects its potential for new housing and employment today.

Piedmont is located approximately 10 miles east of San Francisco and is completely encompassed by the City of Oakland. Piedmont's proximity to the Bay Area's major employment centers, in addition to its schools, established neighborhoods, and well-maintained parks make Piedmont a desirable place to live.

I.B Housing Element Purpose

The State of California has stated that the availability of decent and suitable housing for every California family is "a priority of the highest order" (California Government Code §54220). This objective has become increasingly urgent in recent years as communities across the State, including Piedmont, endeavor to meet the housing needs of all their residents. State Housing Element Law, established in 1969, recognizes the vital role local governments play in the supply and affordability of housing and requires all cities and counties in California establish a long-range plan to meet their fair share of regional housing needs. Cities are charged with planning for the welfare of their residents, including ensuring that the existing and projected demands for housing are adequately met.

High housing costs — and related housing instability issues — increase health care costs (for individuals and the State), decrease educational outcomes (affecting individuals, as well as the State's productivity), and make it difficult for California businesses to attract and retain employees.

- State of California 2025 Statewide Housing Assessment

The Housing Element is the primary tool used by the State to ensure local governments are appropriately planning for and accommodating enough housing across all income levels. This Housing Element covers the planning period 2023-2031. The Housing Element is a mandatory part of a jurisdiction's General Plan, but it differs from other General Plan elements in two key aspects. The Housing Element must be updated every 8 years for jurisdictions within a

metropolitan planning organization (MPO) on a 4-year regional transportation plan (RTP) cycle, such as the Association of Bay Area Governments (ABAG). The Housing Element must also be reviewed and approved (i.e., certified) by the California Department of Housing and Community Development (HCD) to ensure compliance with statutory requirements. Certification also ensures that the City remains eligible for various State and federal funding sources.

In practical terms, the Housing Element provides the City with an opportunity to assess its housing needs and to develop policies and actions that effectively respond to those needs. Amongst other groups, the Housing Element affects teachers in our schools, employees in our local businesses, older residents on fixed incomes, parents and their adult children who want to remain in or return to Piedmont, and young persons wishing to live in the community. Ultimately, the supply and cost of housing affects the entire Bay Area economy and people's quality of life in the region.

At the time of publication, the COVID-19 crisis has impacted the Bay Area in significant ways. The pandemic has made the issue of housing security even more acute as residents face job loss, housing cost pressures, and disparate health impacts from the pandemic. This Housing Element has had to respond to these conditions by transitioning the public outreach process to reflect the limitations brought on by COVID-19. These actions are detailed in this report.

I.C **Organization of the Housing Element**

Per California Government Code §65580-65589, a Housing Element must consist of the following components:

Evaluation of the 2015-2023 Housing Element: An evaluation of the results of the goals, policies, and programs adopted in the previous Housing Element that compares projected outcomes with actual achieved results.



Demographics and Housing Needs Assessment: An analysis of the existing and projected housing needs of the community. It provides a profile of socio-demographic information, such as population characteristics, household information, housing stock, tenure, and housing affordability. The assessment also considers local special housing needs, such as, seniors, farmworkers, homeless, large households, and female-headed households.



Housing Capacity Analysis and Methodology: An inventory listing adequate sites that are suitably zoned and available within the planning period to meet the City's fair share of regional housing needs across all income levels.



• **Housing Resources:** An identification of resources to support the development, preservation, and rehabilitation of housing.



• Constraints to Housing Production: An assessment of impediments to housing production across all income levels covering both governmental (e.g., zoning, fees, etc.) and nongovernmental (e.g., market, environmental, etc.).



Housing Plan: This Section provides a statement of the community's goals, quantified objectives, and policies to maintain, preserve, improve, and develop housing, as well as a schedule of implementable actions to be taken during the planning period to achieve the goals, objectives, and policies. Quantified objectives for new construction, rehabilitation, and



conserved units by income category (i.e., very low, low, moderate, and above moderate) are included to make sure that both the existing and the projected housing needs are met, consistent with the City's share of the Regional Housing Needs Allocation (RHNA).

Section II of this Housing Element provides a summary of the projected housing need. Section III summarizes the adequacy of housing sites and identifies housing resources. Section IV contains goals, policies, and actions related to housing in Piedmont. The comprehensive research and analysis supporting the development of Section IV, are compiled in appendices to this Housing Element. These appendices contain the full set of information used to inform the City's goals, policies, and programs:

- Appendix A: Demographics and Housing Needs Assessment
- Appendix B: Housing Capacity Analysis and Methodology
- Appendix C: Constraints to Housing Production
- Appendix D: Evaluation of the 2015-2023 Housing Element
- Appendix E: Public Participation and Meeting Summaries
- Appendix F: Affirmatively Furthering Fair Housing Assessment

I.D Data Sources and Methods

This Housing Element was updated in accordance with California Department of Housing and Community Development (HCD) guidelines for the 6th Housing Element Cycle, incorporating additional considerations required under new State housing-related legislation. Specific

documents are referenced throughout the Housing Element, including but not limited to the Piedmont 2009 General Plan and Zoning Ordinance, as well as the U.S. Census Bureau's OnTheMap mapping and reporting application. The analyses and findings in this document relied on data compiled from various sources, including:

- US Census Bureau (American Community Survey)
- California Department of Housing and Community Development (HCD)
- California Department of Finance (DOF)
- US Department of Housing and Urban Development (HUD)
- Consumer Financial Protection Bureau (CFPB)
- Association of Bay Area Governments (ABAG) pre-certified data

This document was also informed by information provided by residents, business groups, local institutions, City staff, and elected officials.

I.E Summary of Public Participation

Public participation is crucial in shaping Piedmont's housing strategy. Understanding the needs of the community enables the development of housing strategies that are most appropriate and effective. Public outreach also allows the City to identify concerns unique to certain stakeholders that may not have been initially apparent. As part of the development of this Housing Element, the City's public participation program included five focus group meetings, public workshops and meetings, Housing Advisory Committee Meetings, study sessions with the Planning Commission and Housing Advisory Committee, and a variety of online, print, and digital engagement tools. Additionally, while in-person meetings and events were challenging due to the COVID-19 pandemic the City attended local community events, such as Harvest Festival on September 19, 2021 and the Labor Day Car Show on September 6, 2021, to raise awareness about the Housing Element update. Outreach activities are summarized below. For detailed public outreach summaries and meeting materials, please see Appendix E.

[This Section will be updated as public participation is ongoing.]

Website

The Housing Element update webpage (<u>Piedmontishome.org</u>) was used to provide an overview of the Housing Element update process and timeline, resources for Housing Element information (e.g., meeting notices, draft documents, etc.), and to provide City contact information. Interested parties could sign up to receive information about upcoming meetings and documents. The website was available in English, as well as Spanish (translated) and Mandarin (translated).

Videos

Informational videos prepared as part of the Housing Element Update are available at the following links:

Welcome from Mayor Teddy Gray King

 https://www.youtube.com/watch?v=l geilrdyvZA



Housing Element Introduction

 https://www.youtube.com/watch?v= ShfKW10FPEA



Regional Housing Needs Allocation

https://www.youtube.com/watch?v=u
 UotF5M6HwA



Housing Element Basics

https://www.youtube.com/watch?v= S1S5cwcXO98



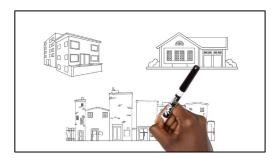
Housing Element Components

https://www.youtube.com/watch?v=y
 OTpfd-Lrkc



Housing Element Basics Animated Video

https://www.youtube.com/watch?v=a 96w9m6Dt7g



15 | City of Piedmont 2023-2031 Housing Element

Stakeholder/Focus Group Meetings

The City conducted five focus group meetings over three days in preparation of the Housing Element update:

- Focus Group #1: Friday, July 23, 2021
- Focus Group #2 and #3: Monday, July 19, 2021
- Focus Group #4 and #5: Thursday, July 22, 2021

Due to the ongoing COVID-19 crisis, the focus groups were held over webinar. Invitations were distributed to 64 individuals representing multiple stakeholder groups (See Appendix E for list of contacted groups). Of the 27 individuals who RSVP'd, 23 participants attended. Two participants that were unable to attend the scheduled meetings were able to provide written feedback.

Community Workshops

The City conducted community workshops.

Community Workshop #1: December 2, 2021

The purpose of the Housing Element Update Community Workshop #1 was to provide an overview of the Housing Element process and the components of a Housing Element, share background information and preliminary findings from housing needs and constraints assessments, and gather questions/comments from meeting participants about critical housing issues, and needs and goals for housing in the City of Piedmont. Approximately 63 participants attended. The community workshop was held over webinar.

Community Workshop #2: March 24, 2022

The purpose of Workshop #2 was to provide an update on the Housing Element progress and report out on the results from Workshop #1. Additionally, Workshop #2 was designed to present the Piedmont Housing Puzzle, an interactive platform designed to allow community members the opportunity to develop their own housing plan to accommodate the City's RHNA. The workshop was centered around an introduction of the Piedmont Housing Puzzle and a live demonstration with workshop participants creating their own housing plan. Following the demonstration, participants had an opportunity to ask questions about how to use the tool or other questions about the Housing Element. Approximately 84 people participated in the virtual workshop.

[to be completed]

Housing Advisory Committee

In February 2021, the City formed a Housing Advisory Committee (HAC) in part to review and provide feedback on draft documents prepared throughout the Housing Element update process. The HAC is made up of five members, composed of four residents at large and one member of the Planning Commission.

 Housing Advisory Committee #1 Joint Study Session with Planning Commission: September 29, 2021

The presentation included the purpose of the Housing Element, components of a Housing Element, and the project timeline. The presentation also provided discussion of the Regional Housing Needs Allocation (RHNA) for Piedmont broken down by income group, as set by the Association of Bay Area Governments (ABAG). The joint study session was held over webinar.

[to be completed]

Additional Outreach and Noticing

In addition to the outreach methods described above, the Housing Element was publicized to Piedmont residents and employees and regional visitors and commuters through the following:

- Piedmont Planning Bulletin: The City prepares and sends regular email bulletins noticing recipients about Planning related news, updates, and upcoming events.
- Balancing Act: The Piedmont Housing Puzzle, which was demonstrated at Workshop #2, is a digital platform to provide comments directly to the City regarding opportunities and challenges related to housing in the City of Piedmont.
- Banners: The City posted banners throughout the City along major roadways, such as Grand Avenue, Highland Avenue, and Moraga Avenue to advertise the Housing Element update process and the project website to residents and inter-city commuters.
- Housing Element table: The City set up a Housing Element table at local community events, including the Harvest Festival on September 19, 2021 and the Labor Day Car Show on September 6, 2021.

Public Hearings

The Housing Element was presented at public hearings.

• [to be completed]

Summary of Public Comments

Comments received are documented in Appendix E and summarized below:

- Housing in Piedmont is very expensive, this impacts the population by limiting who can live in Piedmont. Many people cannot afford to live in Piedmont, such as young adults who grew up in Piedmont, people who work in Piedmont, and families who do not live in Piedmont who have children that attend school in Piedmont.
- There is an interest/need in housing including:
 - Housing for employees that work in Piedmont (City staff, teachers, education administrators, teachers, police, firefighters, etc.) and others that serve the community

- More affordable and mixed-use housing development
- More housing for seniors
- o Smaller homes (less than 2,000 sq. ft.)
- Apartments attractive to families
- Small units (400 sq. ft.) to accommodate students, single parents, and young professionals
- Need to change negative perceptions and assumptions about affordable housing, lowincome residents, density, neighborhood change, etc.
- Currently, the only viable multi-family zoning areas are along Grand Avenue and Highland Avenue.
- For-sale properties are affordable to only a very affluent demographic and are going for much more than asking price in the current market.
 - However, some market trends are showing many large homes and estates in Piedmont are vacant and selling for less than the expected price per s.f., indicating these homes may be too large
- There is a need to include voices outside of Piedmont, as historically excluded voices that represent populations in need of housing in the city have not been recognized in the past.

I.F Relationship to Other General Plan Elements

The Housing Element is one of seven mandatory elements of the City's General Plan, a long-range vision document that provides guidance for future development in Piedmont. City Council adopted the most recent General Plan in 2009¹. For the General Plan to provide effective guidance on land use issues, the goals, policies, and programs of each element must be internally consistent with other elements. This Housing Element builds upon the existing General Plan and must be consistent with its goals and policies. To ensure consistency, the General Plan will be amended, as needed, to align with recommendations from the Housing Element. In the event an element of the General Plan is amended, the City will consider the impacts of the amendment on the other elements to maintain consistency across all documents.

2023-2031 Housing Element

¹ Piedmont approved its first Preliminary Master Plan in 1958, with amendments addressing noise and safety in 1974 and 1975, respectively. The City adopted its first General Plan in 1984. The 2009 General Plan was the first comprehensive update since 1984 Most recently, the City adopted its updated Environmental Hazard Element on February 18, 2020.

I.G Other Statutory Requirements

Water and Sewer Priority

Government Code §65589.7 requires each public agency or private entity providing water or sewer services to grant a priority for the provision of these services to proposed developments that include lower income housing units. In Piedmont, sewer infrastructure services are provided by the City and water services are provided the East Bay Municipal Utility District (EBMUD). The City has not denied, applied conditions, or reduced the amount of sewer service for a development that includes housing affordable to lower-income households consistent with State law. As part of this Housing Element, the City will adopt written policies and procedures that grant a priority for sewer hook-ups and service to developments that help meet Piedmont's share of the regional need for lower-income housing (see Policy 4.8 and Program 4.S).

Government Code §65589.7 also requires adopted housing elements to be immediately delivered to all public agencies or private entities that provide water or sewer services for municipal and industrial uses, including residential. The City will provide the adopted Housing Element to EBMUD immediately upon adoption.

Section II

Projected Housing Need

II.A Introduction and Overview of ABAG Methodology

State Housing Element law (Government Code §65580 et. seq.) requires regional councils of governments to identify for each member jurisdiction its "fair share allocation" of the Regional Housing Needs Assessment provided by the California Department of Housing and Community Development (HCD). In turn, each city and county must demonstrate the capacity to accommodate their local share of regional housing needs in the community's housing element. Each jurisdiction's responsibility for meeting the overall regional housing need is established as a Regional Housing Needs Allocation (RHNA).

The Association of Bay Area Governments (ABAG), the council of governments for the Piedmont area, adopted its final 6th Cycle RHNA allocation methodology in December 2021. ABAG considered several factors in preparing the methodology, which weighed both projected and existing need. Projected need was informed by the target vacancy rate, the rate of overcrowding, and the share of cost-burdened households, household growth, future vacancy need, and replacement need, while existing need considered transit accessibility and job accessibility. The distribution of the RHNA across the four income categories factored in a social equity adjustment, which allocated a lower proportion of lower-income RHNA to jurisdictions that already had a high concentration of such households in comparison to the County, as well as the goal to Affirmatively Further Fair Housing (AFFH), which adjusted the distribution of RHNA in jurisdictions considered either very low or very high resource areas. According to Appendix 6 of ABAG's Draft RHNA Plan, Piedmont had a net zero change in RHNA on account of the equity adjustment.

II.B Alameda County Income Limits

The projected housing needs are broken down by income category based on definitions in the California Health and Safety Code (§50079.5). HCD calculates "extremely low", "very low", "low", "median", "moderate", and "above moderate" income limits, and publishes these limits at the county level. Alameda County's 2021 income limits for households of one to four persons are shown in Table II-1. See Appendix A, Table A-5, for a table listing income limits for households of up to eight persons.

Number of Persons in Household 3 1 2 4 Extremely Low (0-30% of AMI) \$28,800 \$32,900 \$37,000 \$41,100 Very Low (30-50% of AMI) \$47,950 \$54,800 \$61,650 \$68,500 Low (50-80% of AMI) \$76,750 \$87,700 \$98,650 \$109,600 Median (80-120% of AMI) \$87,900 \$100,500 \$113,050 \$125,600 Moderate (120% of AMI) \$135,650 \$150,700 \$105,500 \$120,550 Source: Department of Housing and Community Development, 2021

Table II-1: Alameda County 2021 Income Limits

II.C Regional Housing Needs Allocation

The RHNA for Piedmont is shown in Table II-2. The City has a total allocation of 587 units for the 2023 to 2031 planning period.

Table II-2: 6th Cycle RHNA

	Piedmont		Alameda County		ABAG		
Area/Income	Number of Units	Percent	Number of Units	Percent	Number of Units	Percent	
Total	587	100%	88,997	100%	441,176	100%	
Extremely Low and Very Low ¹	163	28%	23,606	27%	114,442	26%	
Low	94	14%	13,591	15%	65,892	15%	
Moderate	92	15%	14,438	16%	72,712	17%	
Above Moderate	238	43%	37,362	42%	188,130	42%	
¹ "Extremely Low" included in "Very Low" Category, assumed to be 50% of the Very Low allocation.							

Source: ABAG, LWC

The City of Piedmont is not responsible for the actual construction of these units. Piedmont is, however, responsible for creating a regulatory environment in which the private market could build unit types included in their State housing allocation. This includes the creation, adoption, and implementation of General Plan policies, zoning standards, and/or economic incentives to encourage the construction of various types of units.

Section III

Housing Resources

III.A Introduction

There are a variety of resources available to support the City in implementing its housing strategy, including resources for landowners, developers, and residents. This Section provides a summary of land resources available to accommodate future housing in the City. The detailed housing capacity analysis and methodology is contained in Appendix B. This Section also includes a list of local, regional, State, and federal programs that provide financial and related assistance to support the City in meeting its housing goals.

III.B Land Resources

A critical part of the Housing Element is the sites inventory, which identifies a list of sites that are suitable for future residential development. State law mandates that each jurisdiction ensure availability of an adequate number of sites that have appropriate zoning, development standards, and infrastructure capacity to meet its fair share of regional housing need (i.e., RHNA) at all income levels. The inventory is a tool that assists in determining if the jurisdiction has enough land to meet its RHNA given its current regulatory framework.

Identification of Sites Suitable for Housing

The sites identified in the site inventory (Appendix B) are comprised of parcels located in various areas and zones within the City. Due to the built-out nature of Piedmont, critical areas for housing and redevelopment are City-owned property, public land (including parks), and underutilized land used for commercial and/or



mixed-uses. Each site has undergone an assessment to determine development potential and residential unit capacity given existing zoning standards, potential capacity under new zoning regulations, and development trends. For detailed information, please see Appendix B.

Summary of Adequate Sites

Table III-1 summarizes the City's methods for satisfying its RHNA. Based on accessory dwelling unit (ADU) projections, entitled and proposed projects, available 6th Cycle sites (including a rezoning program), the City has capacity for 658 units across all income categories, resulting in a 12 percent, or 71 unit, excess over the RHNA.

Assumptions and methodology for this determination and a detailed list of sites are included in Appendix B.

Table III-1: Residential Development Potential and RHNA

	Extremely Low	Very Low	Low	Moderate	Above Moderate	Total
RHNA	See Very Low	163	94	92	238	587
ADUs	See Very Low	7	42	70	21	140
Approved/Entitled Projects	-	-	-	-	1	1
Site Inventory ^{1,2}	211 ³		81	225	517	
Total Capacity	260		151	247	658	
Surplus		3		59	9	71

- 1. See Appendix B, Table B-9 for the complete inventory
- 2. See Appendix B, Section B.3.1 for information on the Specific Plan
- 3. For calculation purposes, extremely low, very low, and low-income totals were grouped.

Source: City of Piedmont, LWC 2021

III.C Financial and Administrative Resources

The following Section contains a list of financial, administrative, and other resources at the local, regional, State, and federal levels to help the City address its housing needs. Availability of these resources is dependent on governmental priorities, legislation, and continued funding, which may be subject to change at any time.



City Resources

• SB 2 Housing Programs Grant: On September 16, 2019, the City Council approved the City's application to participate in the State of California SB 2 grants program. The application included a scope of work, which outlined the tasks and activities that the City wished to pursue in order to accelerate the production of housing in Piedmont. The grant application's scope focused efforts on the two main strategies in the existing 2014 Piedmont Housing Element: the construction of ADUs and Junior ADUs (JADUs) on residential properties and development of objective design standards for mixed-use multifamily development in Zones C and D (multi-family and mixed-use zones, respectively). In 2020. The City's SB 2 grant application was accepted by State of California Department of Housing and Community Development (HCD), and HCD awarded the City \$160,000 in reimbursable funds to complete the project scope. On August 17, 2020, the City Council authorized a contract with Lisa Wise Consulting (LWC) to complete the SB 2 Housing Programs project. The scope of work for ADUs included the analysis of possible incentives for rent-restricted affordable ADUs, including consideration of State and regional grant opportunities, such as Measure A1 (2016).

• Recent Improvements to Housing Regulations: Zone C, multi-family zoning district, consists of a cluster of parcels near the Oakland Avenue bridge and Linda Avenue, and a few lots scattered in the Zone A district. In 2013, the City modified its commercial zoning district (Zone D) along Oakland Avenue and near Highland and Vista Avenues to include mixed-use, multi-family development. In 2017, the City updated the development standards for Zone D to better accommodate mixed-use, multi-family development. In 2020, the City completed comprehensive updates to the Accessory Dwelling Unit Ordinance, consistent with State law. These improvements created new ministerial development standards for both accessory dwelling units and junior accessory dwelling units, as well as other changes. Since the 1990's, the City has found that the most effective housing program is to actively encourage the production of accessory dwelling units.

Regional Resources - Alameda County

- Measure A1: Measure A1 is a grant program funded through a countywide parcel tax and administered by the Alameda County Department of Housing and Community Development (Alameda HCD). In 2016, Alameda County residents voted to adopt Measure A1, a \$580 million property tax revenue bond for affordable housing. The City's Measure A-1 allocation (\$2.2 million) project application was originally set to be approved by the County of Alameda by December 31, 2021, with the funds be spent within 5 years after the application is approved. City staff have received an extension of the application deadline to December 2022, and are requesting a second extension in March 2022.
- AC Boost Down Payment Assistance Program: Funded by Measure A1 funds, the program offers shared appreciation loans of up to \$210,000 to first-time homebuyers who live, work in, or have been displaced from Alameda County. There is limited preference for First Responders and Educators (including public school employees and childcare providers). This program is administered by the non-profit organization Hello Housing, on behalf of Alameda County Housing and Community Development Department.
- Renew AC Home Improvement Loan Assistance Program: Renew AC provides low-income homeowners in Alameda County with one percent interest rate loans of \$15,000 to \$150,000 to complete home improvement projects ranging from correcting health and safety hazards to accessibility upgrades and structural rehabilitation. No monthly payments are required. Renew AC is operated by Habitat for Humanity East Bay/Silicon Valley, on behalf of Alameda County Housing and Community Development Department and funded by Measure A1.
- Mortgage Credit Certificate Program: This program provides income eligible first-time
 home buyers the opportunity to reduce the amount of federal income tax they owe each
 year they own and live in their home. The Mortgage Credit Certificate (MCC) assists a
 family in qualifying for a higher first mortgage with no effect on monthly expenses.
 Refinanced Mortgage Credit Certificates (RMCC) are also available when the homeowner

refinances their original MCC Loan. A RMCC must be issued for each refinance for the homeowner to continue receiving their federal tax credit. Funding for this program is provided by the California Debt Limit Allocation Committee (CDLAC).

Regional Resources - Housing Authority of the County of Alameda (HACA)

- Section 8 Housing Choice Voucher Program (HCVP): Over 7,000 families and 3,500 housing owners participate in the HCVP. The HCVP provides rental assistance to eligible families and guarantees monthly payments to owners. The family's portion of the rent ranges from 30 to 40 percent of household income, and HACA pays the difference directly to the landlord, up to the established payment standards. Effective May 26, 2021, Section 8 Housing Choice Voucher households are eligible to enroll in an Emergency Broadband Benefit (EBB). The EBB will provide a discount of up to \$50 per month towards broadband service for eligible households and up to \$75 per month for households on qualifying Tribal lands. Eligible households can also receive a one-time discount of up to \$100 to purchase a laptop, desktop computer, or tablet from participating providers if they contribute more than \$10 and less than \$50 toward the purchase price.
- Section 8 Project-Based Program: This program subsidizes the rent and utilities of a unit in a subsidized development. If the tenant in a Project-Based unit moves out of the development during the first year of the lease, the tenant's assistance ends. If the tenant moves out of the development after the first year, the assistance continues and follows the tenant. HACA provides 713 units of Project-Based assistance in the various developments, none of which are currently in Piedmont.
- Section 8 Moderate Rehabilitation Program: This program subsidizes the rent and
 utilities of a unit in a subsidized development that has undergone some rehabilitation. If,
 at any time, the tenant in a Section 8 Moderate Rehabilitation unit moves out of the
 development, the tenant's Section 8 assistance ends. HACA provides 18 units of Section
 8 Moderate Rehabilitation assistance at two developments in Hayward and one in
 Emeryville.
- Section 8 VASH Program: Similar to the Section 8 Housing Choice Voucher Program, the Veterans Affairs Supportive Housing (VASH) Voucher Program helps homeless veterans lease safe, affordable housing. VASH is a partnership between the Veterans Administration (VA) and the U.S. Department of Housing and Urban Development (HUD). Participating veterans receive case management and clinical services provided by the VA to help them maintain healthy, productive lives.
- Mainstream Voucher Program: HACA administers 189 vouchers under HUD's Mainstream program. The program is targeted to households with at least one non-elderly disabled family member who is homeless, at-risk of homelessness, coming out of an institutional facility or at-risk of entering an institutional facility due to lack of

- housing. HACA partners with an array of supportive services organizations that provide appropriate services to program participants.
- Eden Council for Home and Opportunity, Inc. (ECHO Housing): ECHO Housing offers
 various programs including classes on how to find, qualify for and buy a home; debt and
 financial education and counseling; and a Rental Assistance Program (RAP) that assists
 with move-in costs or delinquent rent due to a temporary financial setback. They also
 provide tenant-landlord counseling and fair housing services to assist Piedmont renters to
 remain in their homes.

State Resources

- Accessory Dwelling Unit Grant Program: The ADU Grant Program, provided by the California Housing Finance Agency, provides a grant of up to \$25,000 to reimburse predevelopment costs associated with the construction of the ADU. Pre-development costs include site prep, architectural designs, permits, soil tests, impact fees, property survey, and energy reports.
- Affordable Housing and Sustainable Communities Program (AHSC): Administered
 by the Strategic Growth Council, this program provides grants and/or loans to fund landuse, housing, transportation, or land preservation projects that support infill and compact
 development that reduce greenhouse gas emissions.
- CalHome: HCD provides grants to local public agencies and non-profit housing developers to assist first-time homebuyers with down payment assistance through deferred-payment loans, rehabilitation, homebuyer counseling, self-help mortgage assistance, or other technical assistance. \$57 million available in State CalHome program.
- California Emergency Solutions and Housing (CESH): This program provides funds
 for a variety of activities to assist persons experiencing or at risk of homelessness, such
 as housing relocation and stabilization services (including rental assistance), operating
 subsidies for permanent housing, flexible housing subsidies, emergency housing
 operating support, and homeless delivery systems.
- **Homekey:** This program provides funding to protect Californians experiencing homelessness who are impacted by COVID-19.
- Housing for a Healthy California (HHC) Program: This program creates supportive housing for recipients of or those eligible for healthcare provided through the California Department of Health Care Services' Medi-Cal program.
- Housing Navigator's Program: This grant program funds housing navigators to help young adults aged 18 to 21 years secure and maintain housing, with priority for individuals in the foster care system.

- Infill Infrastructure Grant Program (IIG): This program promotes infill housing development by providing grant funding, in the form of gap assistance, for infrastructure improvements required for qualifying multi-family or mixed-use residential development.
- Joe Serna, Jr. Farmworker Housing Grant (FWHG) Program: This program provides deferred payment loans for both owner-occupied and rental housing for agricultural workers, with a priority for lower income households.
- Local Housing Trust Fund (LHTF) Program: This program provides matching funds to local or regional housing trust funds for the creation, preservation, and rehabilitation of affordable housing, transitional housing, or emergency shelters.
- Mills Act: The Mills Act is an economic incentive programs for the restoration and preservation of qualified historic buildings by private property owners. It grants local governments the authority to enter into contracts with owners of qualified historic properties who actively participate in the restoration and maintenance of their historic properties while receiving property tax relief.
- Mobilehome Park Rehabilitation and Resident Ownership Program (MPRROP): This program provides financing to support the preservation of affordable mobilehome parks through conversion of the park to an ownership model.
- **Multi-family Housing Program (MHP):** This program provides deferred payment loans for the construction, preservation, and rehabilitation of permanent and transitional rental housing for lower-income households.
- **National Housing Trust Fund:** This program provides deferred payment or forgivable loans for the construction of permanent housing for extremely low-income households. The covenant is for 55 years.
- Permanent Local Housing Allocation (PLHA) Program: This program provides a
 permanent source of funding to all local governments in California to help cities and
 counties implement plans to increase affordable housing stock. Funding for this program
 is provided through a \$75 recording fee on real estate transactions. Also see discussion
 above under Local Resources.
- Predevelopment Loan Program (PDLP): This program provides financing to cover predevelopment costs to construct, preserve, or rehabilitate assisted housing.
- Supportive Housing Multi-family Housing Program (SHMHP): This program provides low interest deferred loan payments to developers building affordable rental housing that contain supportive housing units.
- Transit-Oriented Development (TOD) Housing Program: This program provides lowinterest loans as gap financing for higher density affordable rental housing near transit.

- Veterans Housing and Homelessness Prevention Program (VHHP): This program supports the acquisition, construction, rehabilitation, and preservation of affordable multifamily housing for veterans and their families.
- **Golden State Acquisition Fund:** This \$93 million fund provides low-cost financing aimed at supporting the creation and preservation of affordable housing across the State.
- California Housing Finance Agency (CalHFA): CalHFA offers a variety of low-cost loan programs to support the development of affordable multi-family rental housing, mixed-income housing, and special needs housing.
- California Housing Finance Agency (CalHFA), Mortgage Credit Certificate Program:
 The MCC program is a homebuyer assistance program designed to help lower-income families afford home ownership. The program allows home buyers to claim a dollar-for-dollar tax credit for a portion of mortgage interest paid per year, up to \$2,000. The remaining mortgage interest paid may still be calculated as an itemized deduction.
- **Elderlink:** A senior care referral service licensed by the Department of Public Health. This organization provides independent and free personalized senior care placement services to fully screened and approved nursing home, board and care, and assisted living facilities.

Federal Resources

- HOME Program: Participating jurisdictions may use HOME funds for a variety of housing activities, according to local housing needs. Eligible uses of funds include tenant-based rental assistance; housing rehabilitation; assistance to homebuyers; and new construction of housing. HOME funding may also be used for site acquisition, site improvements, demolition, relocation, and other necessary and reasonable activities related to the development of non-luxury housing. Funds may not be used for public housing development, public housing operating costs, or for Section 8 tenant-based assistance, nor may they be used to provide non-federal matching contributions for other federal programs, for operating subsidies for rental housing, or for activities under the Low-Income Housing Preservation Act.
- Community Development Block Grant (CDBG): Federal funding for housing programs is available through the U.S. Department of Housing and Urban Development (HUD). Piedmont participates in the CDBG program through the "Alameda County Urban County CDBG Grant", which applies to HUD for funds on behalf of the City and other jurisdictions, including unincorporated Alameda County, Albany, Dublin, Emeryville, and Newark. The Alameda CDBG program funds community centers, food banks (including Meals on Wheels-type programs), housing rehabilitation programs, childcare facilities, and park and sidewalk improvements, among other items.
- Section 108 Loan Guarantee Program: Allows CDBG entitlement jurisdictions to leverage their annual grant allocations to access low-cost financing for capital

improvement projects. Eligible activities include housing, economic development, public facility, and infrastructure. This program is often used to catalyze private investment in underserved communities or as gap financing.

- Section 811 Project Rental Assistance: HUD offers long-term project-based rental assistance through a NOFA published by the California Housing Finance Agency (CalHFA).
- Emergency Solutions Grants (ESG) Program: This program provides funding for cities, counties, and states to (1) engage homeless individuals and families living on the street;
 (2) improve the number and quality of emergency shelters for homeless individuals and families; (3) help operate these shelters; (4) provide essential services to shelter residents,
 (5) rapidly rehouse homeless individuals and families, and (6) prevent families/individuals from becoming homeless.
- Veterans Affairs Supportive Housing (VASH) Program: HUD-VASH is a collaborative program between HUD and VA that combines HUD housing vouchers with VA supportive services to help veterans who are homeless and their families find and sustain permanent housing.
- Low-Income Housing Preservation and Residential Home Ownership Act (LIHPRHA): This program requires all eligible HUD Section 236 and Section 221(d) projects at risk of conversion to market-rate rentals from mortgage pre-payments be subject to LIHPRHA incentives, which include subsidies to guarantee an eight percent annual return on equity.
- Low-Income Housing Tax Credit: Administered through the California Tax Credit Allocation Committee (TCAC), the Low-Income Housing Tax Credit (LIHTC) subsidizes the acquisition, construction, and rehabilitation of affordable housing by providing a tax credit to construct or rehabilitate affordable rental housing for low-income households.
- Federal Historic Preservation Tax Program: The Federal Historic Preservation Tax Incentives program encourages private sector investment in the rehabilitation and re-use of historic buildings. The National Park Service and the Internal Revenue Service administer the program in partnership with State Historic Preservation Offices.
- Continuum of Care (CoC) Program: The Continuum of Care (CoC) Program is designed to promote communitywide commitment towards ending homelessness. It provides funding to nonprofits, State, and local governments to provide shelter and services to people experiencing homelessness. CoC also establishes coordinated entry system policies, which are designed to ensure that all people experiencing a housing crisis have fair and equal access and are quickly identified, assessed for, referred, and connected to housing and assistance based on their strengths and needs.

• U.S. Department of Agriculture (USDA) Housing Programs: This program provides homeownership opportunities for individuals and below market-rate loans/grants to public and non-profit organizations for new construction, preservation, or rehabilitation of farmworker/rural multi-family rental housing.

III.D Opportunities for Energy Conservation

The cost of energy can greatly impact housing affordability, as energy costs can constitute a significant portion of total housing costs. High energy costs also particularly impact low-income households that are less likely to have the ability to cover increased expenses. This Section lists energy conservation programs available at the local, regional, State, and federal levels. Energy conservation programs are consistent with the City of Piedmont's Climate Action Plan (CAP)

Pacific Gas & Electric and East Bay Community Energy

Pacific Gas & Electric (PG&E) and East Bay Community Energy (EBCE) provide electricity services for the City of Piedmont. PG&E and EBCE assist low-income customers through several programs. PG&E administers all of the following programs, even for customers who receive service from EBCE.

- CARE (California Alternate Rates for Energy) Program: This program reduces monthly
 energy bills for qualified households by about 30 percent (for electricity; 20 percent for
 natural gas). Eligibility is based on whether any person living in the home participates in a
 list of public assistance programs or household income guidelines.
- **FERA (Family Electric Rate Assistance) Program:** Family Electric Rate Assistance is PG&E's rate reduction program for large households of three or more people with low- to middle-income. Qualifications are based on household income guidelines. FERA generally provides an 18 percent discount on electricity.
- Energy Savings Assistance Program: The Energy Savings Assistance Program
 provides qualified low-income customers with energy-saving improvements at no charge,
 significantly reducing energy bills. Both renters and owners who live in a house, mobile
 home, or apartment that is at least 5 years old are eligible. Common improvements may
 include free weatherization measures and energy-efficient appliances to reduce gas and
 electricity use.
- Medical Baseline Program: Residential customers can get additional quantities of energy at the lowest (baseline) price. To qualify for Medical Baseline a full-time resident in the home must have a qualifying medical condition and/or require the use of a qualifying medical device to treat ongoing medical conditions. Only one Medical Baseline application per household is required.
- Relief for Energy Assistance through Community Help (REACH): This is a one-time energy-assistance program sponsored by PG&E and administered through non-profit

organizations like the Salvation Army from 170 offices in Northern and Central California. Those who have experienced an uncontrollable or unforeseen hardship may receive an energy credit for up to \$300. Generally, recipients can receive REACH assistance only once within a 12-month period, but exceptions can be made for seniors, the physically challenged, and the terminally ill.

- Low-Income Home Energy Assistance Program (LIHEAP): LIHEAP is a federally funded program that helps low-income households pay their energy bills. The program offers a variety of services, including HEAP, which provides one-time financial assistance; LIWP, which provides weatherization services; and the Energy Crisis Intervention Program (ECIP), which assists low-income households that are in a crisis situation, such as receiving a disconnection notice. Qualifying customers receive up to \$1,000 in assistance.
- Resilient Home: Resilient Home is a program from EBCE that provides quotes and prenegotiated pricing for property owners considering installing a solar and battery backup system for their home. To further lower customer cost, EBCE partner Sunrun will also pay property owners an additional incentive after installation for agreeing to share their stored energy with EBCE when the power grid is operating normally, but demand is high. For homeowners the incentive is \$500. For multi-family property owners, the incentive will vary based on system size.
- Arrearage Management Plan (AMP): Amp is a debt assistance program eligible to customers enrolled in the CARE or FERMA financial assistance programs. Customers eligible to participate in the AMP program include those who owe at least \$500 on their gas and electric bill, are more than 90 days past due, have made at least one on-time payment, and have been a PG&E or EBCE customer for at least 6 months. The maximum amount eligible for AMP forgiveness is \$8,000.

City of Piedmont

The City has a Climate Action Plan (CAP 2.0), which was adopted in 2018. The CAP 2.0 was developed by City staff and a Climate Action Plan Task Force of Piedmont residents with expertise in various aspects of climate solutions who were appointed by the City Council. The CAP 2.0's building and energy objectives are as follows:

- Reduce residential and commercial building energy use
- Increase renewable energy to 100 percent
- Partner with schools to reduce energy use
- Reduce local air pollution and high global warming potential gases
- Investigate infrastructure upgrades and new technologies

• Serve as a foundation for future planning efforts such as general plan updates, climate action plans, Housing Element updates, zoning ordinance updates, among others.

An implementing policy of CAP 2.0 is to monitor effectiveness of policies on greenhouse gas (GHG) emissions. The GHG inventory was last updated in 2021. Piedmont's municipal and residential accounts were enrolled into EBCE's 100% renewable energy plan in November of 2018. The City and its residents being enrolled into a 100% renewable energy plan helps to reduce GHGs emissions the City produces; therefore, making significant steps towards reaching the CAP 2.0 objectives. The City of Piedmont has adopted Reach Codes which require all new dwelling units to be electric and requires energy improvements at certain building permit cost and size thresholds. Other conservation programs available on a regional, State, and federal level are described below.

Regional Energy Resources

- Alameda County Season of Sharing Critical Family Needs (CFN) Assistance: Onetime, merit-based assistance to applicants who demonstrate a critical need arising from emergency circumstances beyond their control.
- Alameda County Emergency Assistance: The Alameda County Housing Secure Emergency Rental Assistance Program (ACHS-ERAP) helps income-eligible households pay rent and utilities, both for past due and future payments. The federal Consolidated Appropriations Act of 2021 provides funding to support the program. Phase 1 of the program launched March 17, 2021. Phase 1 of the program will prioritize (1) tenant households making less than 30% of the area median income; (2) small rental property owners (5 units or less); and (3) tenants in subsidized affordable housing units. These priorities will be expanded in Phase 2.
- Bay Area Regional Energy Network (BayREN): BayREN provides energy efficiency rebates, no-cost energy consulting to Alameda County residents. Single family homeowners can receive rebates up to \$5,000. BayREN also offers a program for multifamily property owners to qualify for \$750 cash back per unit to save 15% of their building's energy use.

State Energy Resources

• California Department of Community Services & Development Programs Low-Income Weatherization Program (LIWP): California's Low-Income Weatherization Program (LIWP) provides low-income households with solar photovoltaic (PV) systems and energy efficiency upgrades at no cost to residents. LIWP is the only program of its kind in California that focuses exclusively on serving low-income households with solar PV and energy efficiency upgrades at no cost. The program reduces greenhouse gas emissions and household energy costs by saving energy and generating clean renewable power. LIWP currently operates three program components: Multi-Family, Community

Solar, and Farmworker Housing. According to CDS's Nov. 2020 Low-Income Weatherization Program Impact Report, LIWP has received \$212 million from the Greenhouse Gas Reduction Fund since 2014. Note: The multi-family energy efficiency & renewables program component is estimated to end in June 2022.

- California Public Utilities Commission Energy Savings Assistance Program (ESA):
 ESA provides no-cost weatherization services to low-income households who meet the
 CARE income guidelines. Services provided include attic insulation, energy efficient
 refrigerators, energy efficient furnaces, weatherstripping, caulking, low-flow showerheads,
 water heater blankets, and door and building envelope repairs which reduce air infiltration.
- **GoGreen Home Energy Financing**: The California State program administers financing loans for central heating and air conditioning, windows and appliances, cool roofs, and many other home improvements.
- Property Assessed Clean Energy (PACE): PACE financing allows property owners to borrow money to pay for renewable energy systems, energy efficient improvements, seismic retrofits, and more by spreading the cost of the upgrade over a period of time. Payments are made through a special assessment on the property tax bill.

Federal Energy Resources

Federal Housing Administration Energy Efficient Mortgage Program (EEM): This
program helps families save money on their utility bills by enabling them to finance energy
efficient improvements with their FHA-insured mortgage. The EEM program recognizes
that an energy-efficient home will have lower operating costs, making it more affordable
for the homeowners. Cost-effective energy improvements can lower utility bills and make
more income available for the mortgage payment.

Section IV Housing Plan: Goals, Policies, and Programs

IV.A Introduction

The Housing Plan of the Housing Element serves as the City's strategy for addressing its housing needs. This Section describes the housing goals, policies, and programs of the Housing Element for the City of Piedmont.



Goals are aspirational purpose statements that indicate the City's direction on housing-related needs. Each goal encompasses several policies, which are

statements that describe the City's preferred course of action among a range of other options. Each goal also includes programs, which provide actionable steps to implement the City's goals and to further the City's progress towards meeting its housing allocation. Some programs contain quantified objectives, which refer to the number of units that are expected to be constructed, preserved, or rehabilitated through the program during the planning period. These quantified objectives represent measurable outcomes that can be used to benchmark the success of each program.

This Housing Element contains institutional changes intended to significantly increase the amount and type of housing for all income levels in Piedmont. These efforts are expected to be initiated throughout the planning period, which is from January 31, 2023, to January 31, 2031. In accordance with State law, the City will also evaluate the progress and effectiveness of these programs on an annual basis. Together, these initiatives reflect the City's commitment to increasing affordable housing and improving existing housing conditions.

The City has fair housing goals, policies, and programs for the following topics:

- 1. New Housing Construction
- 2. Housing Conservation
- 3. Affordable Housing Opportunities
- 4. Elimination of Housing Constraints
- 5. Special Housing Needs Populations
- 6. Sustainability and Energy
- 7. Equal Access to Housing

The following list of goals, policies, and programs includes a combination of strategies, including a continuation of existing successful policies and programs as well as new policies and programs to tackle emerging opportunities and constraints, address changes in State law, and provide innovative approaches to accommodate the larger RHNA given Piedmont's size and relatively limited options for providing significantly more housing.

Goal 1: New Housing Construction

Policies

Policy 1.1: Adequate Sites. Maintain an adequate number of sites and opportunities for the development of housing consistent with the Regional Housing Needs Allocation.



- **Policy 1.2: Housing Diversity.** Continue to maintain planning, zoning, and building regulations that accommodate the development of housing for households at all income levels.
- **Policy 1.3: Promoting Residential Use.** Continue to allow residential uses in all of Piedmont's zoning districts.
- **Policy 1.4: Context-Appropriate Programs.** Participate in those State and federal housing assistance programs that are most appropriate to Piedmont and that recognize the limited affordable housing opportunities in the City.
- **Policy 1.5: Accessory Dwelling Units.** Continue to allow accessory dwelling units and junior accessory dwelling units "by right" in all residential zones within the City, subject to dimensional and size requirements, parking standards, and an owner occupancy requirement for junior accessory dwelling units.
- **Policy 1.6: Accessory Dwelling Units in New or Expanded Homes.** Consider amendments to the zoning ordinance to require the inclusion of accessory dwelling units when new homes are built and when existing homes are expanded.
- **Policy 1.7: Housing in Commercial Districts.** Ensure that local zoning regulations, through density limitations and use allowances, accommodate multi-family residential uses on commercial properties in the City, including the addition of apartments to existing commercial buildings.
- **Policy 1.8: Mobile and Manufactured Housing.** As required by State law, allow mobile and manufactured housing on all residential areas in the City, subject to the same standards as other homes in that Zone.
- **Policy 1.9: Maintaining Buildable Lots.** Outside of Zone D, discourage lot mergers, lot line adjustments, and other changes to legally conforming parcels which would reduce the number of buildable lots in the City, except when consolidating lots for multi-family housing production, and encourage lot splits where feasible
- **Policy 1.10: Lot Mergers.** Create incentives to merge lots for new multi-family and mixed-use housing in Zone D and multi-family in Zone C.
- **Policy 1.11: Intergovernmental Coordination.** Coordinate local housing efforts with the California Department of Housing and Community Development, the County of Alameda, and adjacent cities. Where City-sponsored housing programs are infeasible due to limited local resources, explore the feasibility of participating in programs initiated by other jurisdictions.

Policy 1.12: Multi-family Housing City Service Fee: Require developers of multi-family housing, including mixed-use multi-family housing, to contribute to the costs of City services and infrastructure.

Policy 1.13: Remediation Grants. Pursue grants to support remediation and the study feasibility of redevelopment of non-vacant sites, including brownfields, gas stations, and other sites with reuse opportunities.

Programs

1.A Vacant Land Inventory

A vacant land inventory has been prepared as part of this Housing Element update (see Table B-9). This inventory should be updated regularly, with an indication of the ownership, sites available for sale, and status of any pending construction projects. Information about potential new parcels should be added if lot standards or subdivision regulations change or if lot mergers or splits occur.

- Objective: Prepare a regular update of the City's vacant land inventory, indicating the status and availability of each site in Table B-10 for potential development.
- Timeframe: Annually.
- Responsible Agency: Planning & Building Department.

1.B Market-Rate Accessory Dwelling Units

This Housing Element includes program recommendations for two types of accessory dwelling units. The first recommendation, listed here, relates to market-rate accessory dwelling units. These units have no limit on the rent that may be charged and no restrictions on the income of the occupants. The second set of recommendations, listed under Goal 3, addresses rent-restricted accessory dwelling units, which are subject to deed restrictions that limit the rent that may be charged and the income of the occupants (see Program 3F).

The City of Piedmont allows market-rate accessory dwelling units by right in all residential zones (including Zone D), provided they meet certain criteria. Such units are permitted through "ministerial review," meaning they require no discretionary review by the Planning Commission or neighbors. Piedmont City Code Section 17.38.060 sets forth the development standards that relate to accessory dwelling units. Prior to 2005, a conditional use permit (CUP) was required for "secondary dwelling units." The removal of this requirement, combined with the relaxation of standards consistent with State law, has increased the volume of applications and created important new housing opportunities in Piedmont.

- Objective: Maintain zoning regulations and procedures that support the development of market rate accessory dwelling units in Piedmont neighborhoods.
- Timeframe: Ongoing (maintain existing regulations).
- Responsible Agency: Planning & Building Department.

1.C Public Engagement for Accessory Dwelling Units

The City of Piedmont will expand publicity and public engagement for the ADU programs to reach underserved and racially and ethnically diverse members of the Piedmont community, including residents and employees (also see Program 3.A, Affordable Accessory Dwelling Unit Information Campaign). The City will identify groups and community organizations that have contact with and/or are representative of said groups (e.g., social/religious organizations, non-profit groups) and work with these groups to develop outreach materials to explain the City's ADU program and opportunities with the intent to reach underserved and racially and ethnically diverse groups.

- Objective: Increase awareness of the ADU program amongst underserved and racially and ethnically diverse members of the Piedmont community.
 - o Timeframe:
 - Establish goals and metrics for ADU program and identify underserved and racially and ethnically diverse groups and potential contacts and liaisons by the end of 2022.
 - Coordinate with liaisons and groups to develop appropriate outreach and informational materials by mid 2023.
 - o Distribute media and materials by the end of 2023.
 - Annually monitoring program success starting in 2024.
- Responsible Agency: Planning & Building Department.

1.D Allow Religious Institution Affiliated Housing Development in Zone A

In 2020, the California legislature passed Assembly Bill (AB) 1851, which encourages the use of religious facility sites (including parking lots) for housing projects and prohibits jurisdictions from requiring replacement parking when used for qualified development. State law defines "religious institution affiliated housing" as housing that is on religious institution property and is eligible for a State density bonus, meaning it has elements of affordability. Consistent with AB 1851, the City will amend the Zoning Ordinance to allow religious institution affiliated housing development projects by right in Zone A as accessory to a permitted religious institution use, allow these uses at densities up to 21 units per acre, and update the parking requirements consistent with State law.

- Objective: To facilitate affordable multi-family housing development in all parts
 of the city by allowing religious institution affiliated house by right in Zone A,
 accessory to religious facilities.
- Timeframe: Zoning amendment completed within 1 year of Housing Element adoption.
- Responsible Agency: Planning & Building Department.

1.E Require ADUs for New Single-Family Residence Construction

In order to increase the production of ADUs, the City will amend the Zoning Ordinance to require the construction of an ADU or JADU with the construction of a new residence, whether on vacant property or on any property that is proposed to be redeveloped. As part of the Program, the City will study and develop an alternative which will allow an in-lieu fee to fund City affordable housing programs, including Programs 3.E and 3.F.

- Objective: To promote housing development, distribute housing growth across the community, and increase the production of housing through ADUs in single family areas.
- Timeframe: Zoning amendment completed within 3 years of Housing Element adoption.
- Responsible Agency: Planning & Building Department with direction from the City Council and Planning Commission.

1.F Increase Allowances for Housing in Zone B

In order for the City to meet its RHNA obligation (particularly for lower income units), it must consider expanding residential development in publicly owned lands, where the City has the most control over development opportunities. To ensure these properties are viable for affordable development, the City wants to accommodate at a minimum 20 units per site and will amend the Zoning Ordinance to increase the allowed density in the Public Facilities Zone (Zone B) to 60 dwelling units per acre maximum. The City has set a target of producing 20 units on properties in Zone B (exclusive of the property proposed for a specific plan, see Program 1.L)

- Objective: To facilitate multi-family housing development in Zone B,
- Timeframe: Zoning amendment completed within 3 years of Housing Element adoption.
- Responsible Agency: Planning & Building Department with direction from the City Council and Planning Commission.

1.G Facilitating Multi-family Development in Zone C

The City of Piedmont continues to explore ways to encourage or incentivize multi-family development in Zone C. The City already provides rapid processing of development applications and has modified the development standards (i.e., reducing parking

requirements for units less than 700 square feet and allowing greater hardscape coverage) to facilitate affordable housing development.

To help reduce constraints, the City will amend the Zoning Ordinance to increase the maximum allowed residential density in Zone C to 60 dwelling units per acre, will consider increasing the 3-story maximum height limitation, and will consider allowing parking reductions for certain multi-family, mixed-use, and affordable projects (see Program 4.L below). Reductions to front yard setbacks and increases in lot coverage allowances will also be considered.

Provisions for fee reductions for multi-family projects that incorporate affordable units should continue to be explicitly provided in the Zoning Regulations. As noted in Program 4.M, the City intends to replace the Residential Design Guidelines with objective design standards for multi-family and residential mixed-use development. Consistent with State law, housing projects in the City are eligible for a density bonus for projects with a percentage of affordable units.

- Objective: Continue to develop and implement incentives and reduce constraints to facilitate multi-family development in Zone C.
- Timeframe: Complete Zoning Amendments within 3 years of Housing Element adoption.
- Responsible Agency: Planning & Building Department with direction from the City Council and the City Planning Commission.

1.H Increase Allowances for Housing in Zone D

The Piedmont Zoning Ordinance was amended in December 2013 (effective 1/1/14) and updated in 2017 to allow multi-family housing in the Commercial Zone (Zone D) when incorporated as a component of a mixed-use project at densities up to 21units per acre. This amendment created an opportunity for residential additions above stores or offices. For residential uses in Zone D, the City requires one parking space for a studio or one-bedroom dwelling unit, one and a half spaces per each two-bedroom dwelling unit, and two spaces for each dwelling unit with three bedrooms or more (accessory dwelling units do not require parking in Piedmont). The City considers requests for parking variances on a case-by-case basis, depending on the physical conditions of each site, heath and public safety in the surrounding neighborhood, and whether the required parking would cause an unreasonable hardship in planning, design, or construction of the parking space. As required by State law, density bonuses would be allowed for projects incorporating affordable units.

Since the Ordinance was amended, the City has not seen redevelopment of any commercial properties in Zone D. To help facilitate mixed-use redevelopment to achieve the City's RHNA, the City will amend the Zoning Ordinance to allow residential densities up to 80 units per acre in Zone D, remove the Conditional Use Permit requirements for

multi-family development in Zone D, and relax parking, setback, and lot coverage requirements in Zone D. The City will also consider waiving ground floor commercial in Zone D for nonprofit affordable housing as an incentive. The City has set a target of producing 50 multi-family or mixed use units in Zone D by the close of the planning period (January 31, 2031).

- Objective: To facilitate redevelopment of commercial sites in Zone D for mixed use and multi-family development, including new mixed-use projects on underutilized commercial sites and the addition of residential units to existing commercial structures
- Timeframe: Zoning amendment completed within 3 years of Housing Element adoption. Ongoing coordination with property owners.
- Responsible Agency: Planning & Building Department with direction from the City Council and Planning Commission.

1.1 Lot Mergers to Facilitate Housing in Zone C and Zone D

The City is limited in the availability of sites suitable for higher density housing development, with few areas zoned for multi-family development. Of those sites, many are small (less than 0.5 acres). In order to help create viable housing sites, and facilitate new multi-family and mixed-use housing in Zone C and Zone D, the City will amend the City Code to incentivize lot mergers and create lot merger standards.

- Objective: To facilitate new multi-family and mixed-use housing in Zone C and Zone D.
- Timeframe: Zoning amendment completed within 3 years of Housing Element adoption. Ongoing coordination with property owners.
- Responsible Agency: Planning & Building Department with direction from the City Council and Planning Commission.

1.J SB 9 Facilitation Amendments

Senate Bill (SB) 9, adopted in 2021, requires proposed housing developments containing no more than two residential units within a single-family residential zone to be considered ministerially, without discretionary review or hearing, if the proposed housing development meets certain criteria. SB 9 also requires local agencies to ministerially approve a parcel map for an urban lot split subject to certain criteria.

To help create additional housing sites and additional housing, the City will adopt objective design standards for single-family zones (Zone A and Zone E) to help streamline review and approval of projects on properties that are eligible for lot splits and/or additional units under SB 9. In addition, the City will amend the Zoning Ordinance to encourage large lots to take advantage of opportunities under SB 9. Lastly, the City will develop factsheets and FAQs to explain SB 9 to eligible property owners.

Objectives:

- Facilitate the implementation of SB9 in Piedmont by adopting objective design standards for SB 9 units/lot splits.
- o Encourage large lot splits per SB 9.
- Explain the SB 9 process and criteria to property owners to promote housing construction.

Timeframe:

- Adopt objective design standards for SB 9 properties by mid 2025.
- Amend the Zoning Ordinance to encourage large lots splits under SB 9 by early 2027.
- Develop SB 9 factsheets and FAQs by mid 2026.
- Responsible Agency: Planning & Building Department.

1.K City Services Impact Fee for Multi-family Housing

The City has high standards for provision of services to community residents. In order to maintain the level of service, City will study the nexus between the impacts of new multifamily development on City services and infrastructure and the costs to provide the services and infrastructure. If warranted, such study would provide the basis for impact fees for developers of multi-family housing including mixed-use multi-family housing. Fees received will help fund continuation of service to offset potential impacts of the increased population envisioned in the Housing Element.

- Objective: To ensure new projects help pay for the cost of maintaining City services and infrastructure.
- Timeframe: Review impact fees by end of 2024. Modify fees, as directed through study, by mid 2025
- Responsible Agency: Planning & Building Department with Public Works and Finance Departments.

1.L Specific Plan

As described in Appendix B, Section B.3.1, the City owns two sites (comprised of a portion of APN 48A-7002-3-3 and all of 50-4579-61) totaling about 13.5 acres on Moraga Avenue at Red Rock Road. The City has the ability to subdivide the parcels and declare them to be surplus under the Surplus Land Act (SLA- California Government Code §54222 et seq.). The intent of this process would be to facilitate the development of below-market-rate housing to help meet the demand for affordable housing in the City. In order for the City to meet its RHNA requirements, these sites need to accommodate at least 132 housing units at all income levels. Given the size of the site, existing constraints, and the desire to preserve the existing public uses (open space, recreation, and City Corporation Yard), the area will be planned using the specific plan process outlined in Government Code §65450 et seq. This process requires the orderly development of the area, including phasing,

subdivision, adequate infrastructure, identification of financing, protection of amenities and City facilities, and production of affordable housing.

Density in the plan area could range from 40 to 80 dwelling units per acre, including housing for seniors, disabled persons, single-parents, low-income families, and/or people requiring supportive services. This Program requires an amendment to the City's General Plan and the preparation of a specific plan to accommodate the density and create development standards for the unique site conditions. The required amendments would be reviewed by the City Attorney for conformance with the City Charter and other legal requirements. If it is determined that it is infeasible to develop this site during the planning process, the City will consider utilizing other City-owned properties as alternative sites. Contingent sites that could be considered include parkland south of Moraga Avenue between Pala Avenue and Maxwelton Road or a combination of other City sites currently occupied by recreational facilities (see Appendix B).

The City will apply for grants and other funding sources to help fund the planning and development of affordable housing in this area. The City could also leverage local, State, and federal affordable housing funding sources.

The City will issue a Request for Proposals (RFP) for market-rate and affordable housing developers asking them for proposals for the specific plan area. The City will also determine appropriate partnership opportunities in order to ensure successful implementation of this Program and adequate funding for the development of affordable housing. Proposals would be reviewed and approved by the City Council.

- Objective: Develop a specific plan to accommodate at least 132 dwelling units at a density of 40 to 80 dwelling units per acre affordable to a variety of households, including seniors, disabled persons, single-parents, low-income families, and people requiring supportive services.
- Timeframe:
 - o Apply for grant funding and issue RFP by end of 2023.
 - Begin subdivision of site and Surplus Land declaration early 2024.
 - Prepare specific plan to be completed by early 2025.
 - Adopt specific plan, General Plan amendments (See Program 1.P), and associated development standards by mid 2025.
 - Issue development RFP in mid 2025.
 - Enter into exclusive negotiating agreement with development partners by early 2026.
- Responsible Agency: Planning & Building Department, City Council.

1.M Manufactured and Mobile Homes

Though the City does not contain existing mobile home parks, mobile and manufactured homes can be an important source of housing choice and affordability. As manufactured homes that meet certain requirements must be permitted in mobile home parks and are frequently regulated by jurisdictions together, they are discussed here jointly.

Government Code §65852.3 requires cities to allow and permit manufactured and mobile homes on a permanent foundation in the same manner and in the same zone as a conventional stick-built structure, subject to the same development standards that a conventional single-family home on the same lot would be subject to. The sole reference to manufactured homes in the Zoning Ordinance is located in Chapter 17.38 (Accessory Dwelling Units), where manufactured homes are identified as being included in the definition of an ADU.

The 5th Cycle Housing Element Update carried forward a 4th Cycle recommendation, Policy 1.8 (Mobile and Manufactured Housing), to allow mobile and manufactured housing on all lots in the City subject to design standards which ensure that such housing is compatible in character with the community. To ensure compliance with State law and allowance of manufactured homes in single family zones as a primary structure, the Housing Element includes this Program.

- Objective: Amend the Zoning Ordinance to allow manufactured homes consistent with State law.
- Timeframe: Amend the Zoning Ordinance within 1 year of Housing Element adoption.
- Responsible Agency: Planning & Building Department.

1.N Municipal Services Parcel Tax Study

The City will study the local municipal services parcel tax to determine if the tax could be structured to collect an annual tax from each new unit created under Housing Element programs, including ADUs over 750 square feet (as allowed by State law). Potential revenue enhancements will be measured against the possibility of creating new constraints to housing production

- Objective: Study local municipal services tax to potentially generate additional revenue from units created under Housing Element programs.
- Timeframe: Conduct study by early 2026.
- Responsible Agency: Planning & Building Department and Finance Department.

1.0 Gas Station Remediation Study

The City will pursue a brownfields grant to study the remediation of gas stations in Zone D in the City. If a study shows potential for successful remediation, gas station sites could be converted to residential opportunity sites consistent with Zone D regulations, as discussed in section 1.H.

- Objective: Obtain grant to study gas station remediation to convert underutilized gas station sites to residential parcels.
- Timeframe: Pursue funding and (if funding received) begin study within two years of adoption of final Housing Element.
- Responsible Agency: Planning and Building Department.

1.P General Plan Amendments

To ensure consistency between the City's General Plan and the Zoning Ordinance, the City will amend the General Plan to allow the uses and densities as proposed under the Housing Element in Programs 1.D, 1.F, 1.G, 1.H, and 1.I.

- Objective: Maintain consistency in City regulatory and policy documents.
- Timeframe: Concurrent with adoption of final Housing Element.
- Responsible Agency: Planning and Building Department.

Goal 2: Housing Conservation

Policies

Policy 2.1: Encouraging Private Reinvestment. Strongly encourage private property owner reinvestment in the City's housing stock.



Policy 2.2: Public Funds for Housing Maintenance. Support housing stock maintenance and repair through government funding such as Community Development Block Grants when private funding is not available.

Policy 2.3: Availability of Small, More Affordable Homes. Encourage the creation of small homes within Piedmont's existing stock of homes and historic houses. Promote the affordability of smaller-sized homes.

Policy 2.4: Code Enforcement. Enforce local building codes to ensure that housing is safe and sanitary and to protect the character of Piedmont neighborhoods. Promptly investigate all reports of nuisances and require the abatement of such situations, as needed.

Policy 2.5: Use of Original Materials. Allow the use of original materials and methods of construction when alterations to homes are proposed unless a health or safety hazard would occur.

Policy 2.6: Preservation of Multi-Family Housing. Preserve existing multi-family rental housing, including non-conforming multi-family units in the single-family zone. Require the review of permits that would demolish a housing unit, including non-conforming units in the single-family zone.

Policy 2.7: Home Occupations. Continue to encourage Piedmont residents to maintain home offices as a means of making housing more affordable for persons who would otherwise need to rent office space outside the home.

Policy 2.8: Conservation of Rental Housing Opportunities. Conserve rental housing opportunities by monitoring and limiting the use of existing or potential rental properties, such as apartments, accessory dwelling units, and rooms in shared homes, for short-term stays.

Programs

2.A CDBG Funding

The Alameda Urban County CDBG program provides funds to assist lower income households with home repair and maintenance projects. A limited amount of funds are provided to local cities, with disbursal to qualifying lower income households. The City of Piedmont has participated in this program in the past and will continue to participate in the future.

During the 2014 Housing Element update, it was observed that many Piedmont households are unaware of this program. If the City is successful in obtaining funds, a public information campaign should be initiated to solicit applications for grants/loans by Piedmont households, with an emphasis on extremely low-income households. This should include feature stories in the local news media as well as announcements on the City's website.

If sufficient funds are obtained to produce new affordable housing units, the City will work with non-profit developers to explore complementary measures to facilitate housing production, such as reduced permitting and environmental review costs. While there are no known properties in need of rehabilitation, the City has set a target of assisting 8 low-income households with home rehabilitation by the close of the planning period (January 31, 2031).

 Objective: Apply for Community Development Block Grant (CDBG) funds for housing maintenance and production and establish a process for informing the public that such funds are available. If such funds are received, a priority should be placed on their use to assist households with incomes less than 30 percent of area median income.

- Timeframe: Apply for Community Development Block Grant (CDBG) funds for housing maintenance and production on an annual basis, Ongoing public awareness campaign, if funds are received.
- Responsible Agency: Planning & Building Department/Finance Director.

2.B Availability of Small Homes

Small homes, due to a reduced square footage, may be more affordable than larger homes. Small homes serve a role in the City of Piedmont to promote housing opportunities for a variety of households including seniors, small families, and single person households. In conjunction with SB 9 (see Program 1.J), the City seeks to accommodate small homes on small lots. The City's existing supply of small homes is currently protected by:

- Floor area ratio and lot coverage requirements which limit the square footage and coverage of structures relative to lot size.
- Requirements to provide conforming off-street parking in the event that bedrooms are added (creating a disincentive to the expansion of two- and three-bedroom homes with one-car garages and limited driveway space).
- Design Review Guidelines which strive to maintain the scale and mass of existing homes (See also Program 4.M).

All of these provisions should be retained, with the design guidelines for new homes replaced with objective standards (see Program 4.M). In addition, the City is proposing Program 4.J to study feasibility of development on smaller lots, which would accommodate smaller homes, and Program 4.K to study feasibility of affordable small lot projects.

- Objective: Maintain zoning regulations that allow for small (less than 1,800 square feet) homes.
- Timeframe: Ongoing.
- Responsible Agency: Planning & Building Department.

2.C Use of Original Materials and Construction Methods

The City's design standards, plan checking, and building inspection processes currently allow the use of original materials and methods of construction when remodeling projects are proposed. These provisions can mean significant cost-savings for property owners, who might otherwise need to use more expensive materials. They also help support the City's Climate Action Plan objectives, including increased use of recycled building materials and fixtures. The City applies the State Historic Building Code to structures that qualify as "historic," including those properties listed in inventories of historic resources but not formally designated as historic. This Code allows the relaxation of certain UBC standards (such as staircase width) in order to preserve historic buildings.

 Objective: Maintain Planning and Building standards which allow the use of original materials and construction methods in home remodeling.

Timeframe: Ongoing.

• Responsible Agency: Planning & Building Department.

2.D Condominium Conversions

The City's Subdivision Ordinance includes a "no net loss" provision for apartment conversions. Section 19.63 (C) of the code states that any apartments converted to condominiums must be replaced in kind by an equivalent number of equivalently priced rental units. If the units currently rent for very low-, low-, or moderate-income rents, the replacement units must remain rent restricted for at least 55 years. This requirement reduces the likelihood of condo conversions in the City and protects the multi-family rental housing supply.

- Objective: Maintain the existing requirement that the removal of any multifamily rental apartment must be matched by the creation of a new rental apartment elsewhere in the City.
- Timeframe: Ongoing.
- Responsible Agency: Planning & Building Department.

Goal 3: Affordable Housing Opportunities

Policies

Policy 3.1: Rent-Restricted Accessory Dwelling Units. Encourage the creation of rent restricted accessory dwelling units for low and very low-income households through incentive-based programs such as increased height limits, additional number of ADUs, pre-approved plans, and more lenient lot coverage and floor area standards.



Policy 3.2: Occupancy of Permitted Accessory Dwelling Units. Encourage property owners with permitted accessory dwelling units to actively use these units as rental housing rather than leaving them vacant or using them for other purposes.

Policy 3.3: Legalization of ADUs. Allow for and offer incentives for owners of unintended and/or illegal accessory dwelling units to apply for permits to convert into a permitted unit.

Policy 3.4: Accessory Dwelling Unit Building Regulations. Maintain building code regulations which ensure the health and safety of accessory dwelling unit occupants and the occupants of the adjacent primary residence. Implement Building Code regulations intended to facilitate "tiny home" construction.

Policy 3.5: Density Bonuses. Consistent with State law, allow density bonuses (such as allowances for additional square footage or lot coverage) for housing projects which incorporate affordable or special needs housing units.

Policy 3.7: Room Rentals. Continue to allow the renting of rooms in private homes to provide housing opportunities for single people. Recognize the potential for rented rooms to meet the housing needs of single low-income, very low-income, and extremely low-income Piedmont residents.

Policy 3.8: Inclusionary Housing. Encourage the provision of affordable housing as part of market rate multi-family housing projects.

Programs

3.A Affordable Accessory Dwelling Unit Public Information Campaign

This Program would use a variety of media to inform the community about Piedmont's accessory dwelling unit program (Program 1.C, above, specifically targets underserved groups as well). This includes maintaining and updating the dedicated page on the City's website informing residents of what accessory dwelling units are and why they are an essential part of the City's housing stock. The website describes the different types of accessory dwelling units in the City, the regulations that govern them, and the application process. Additionally, the City would continue to use FAQs, brochures, and other print media to explain the steps for applying for an accessory dwelling unit, with special attention given to the homeowner benefits of applying for a rent-restricted unit. The City's local access cable station (KCOM) should also be used to convey this information.

Further positive news coverage about accessory dwelling units could be generated through press releases and articles in local news outlets. This should include human interest stories about accessory dwelling unit owners and tenants in the City. Accessory dwelling unit occupants should be contacted by the City and invited to tell their stories to local reporters in a way that illustrates the "real world" benefits of having accessory dwelling units in the community. In addition, the City should establish a category in its annual design awards for outstanding accessory dwelling units.

- Objective: Initiate a public information and education campaign about accessory dwelling units, including definitions, regulations for their use, opportunities for their construction, and the various incentives offered by the City to create rent-restricted units. The campaign should add a "human interest" dimension by focusing on the stories of actual accessory dwelling unit owners and tenants in Piedmont.
- Timeframe: Complete campaign strategy and materials by 2024, ongoing advertising of materials in print and digital media.
- Responsible Agency: Planning & Building Department.

3.B Increase Number of Legal Accessory Dwelling Units

Work with owners of illegal and/or "unintended" accessory dwelling units to bring the unit into compliance with City standards, including single family homes that have been reported by Alameda County as having two on-site units despite City records indicating a single-family home. These are spaces that have the potential for conversion to accessory dwelling units based on their physical characteristics. Examples include pool houses with indoor cooking facilities; basements with kitchens, bathrooms, and separate entrances; and finished rooms over garages. City will monitor for indications that these spaces are being used for unauthorized short-term rentals (STR).

The City will contact owners of potential unintended ADUs with a letter informing them of the opportunity to apply for a legal market rate or rent-restricted accessory dwelling unit.

The City has set a target of converting at least five unintended accessory dwelling units into permitted accessory dwelling units during the planning period. These units are included in the totals shown in Table IV-1 and could include both market rate and rent-restricted units.

Efforts should also be made to contact the owners of suspected illegal accessory dwelling units, with a focus on legalizing these units as new rent-restricted units. The address data base of "suspected" accessory dwelling units is an important resource. The potentially illegal status of such units provides incentives to convert them into rent-restricted units. The City will work with the owners of such units in order to convert them into legal apartments, on the condition that they be rent-restricted to a low or very low-income household.

- Objective: Increase the ADU stock with legal, complying units by offering incentives and waivers for unintended and/or existing non-permitted ADUs.
- Timeframe: Initial contact of known unpermitted ADUs by 2024, ongoing coordination.
- Responsible Agency: Planning & Building Department.

3.C Monitoring Accessory Dwelling Unit Missed Opportunities

As noted in Program 3.B the City intends to pursue additional housing opportunities in "unintended" or and illegal accessory dwelling units.

In addition, the City should also seek input from applicants who considered adding an accessory dwelling unit, but ultimately decided not to—and applicants who received approval for a unit but then decided not to build or rent it. Their perspectives would be informative and could lead to changes in the Program which would encourage more households to participate.

- Objective: Increase the ADU stock and improve ADU policies and regulations through a better understanding of property owners that considered adding an ADU, but decided not to move forward.
- Timeframe: Ongoing
- Responsible Agency: Planning & Building Department, City Clerk, Building Official

3.D Monitoring Additional Accessory Dwelling Unit Development Opportunities

While Program 3.C addresses improving ADU policies and regulations based on applicant feedback, Program 3.D focuses on lots which are conducive to accessory dwelling unit creation due to their large size, location, or ability to accommodate additions or new structures (such as down-sloping lots with built out lower levels). This includes vacant lots, lots in the Estate Zone, and large lots in Zone A. As development applications for new homes or major home additions are received on these properties, the City will advise applicants of the opportunity to add an accessory dwelling unit. The City has set a target of accommodating 10 new accessory dwelling units in new homes or homes that are expanded with major additions during the planning period. These would generally be market-rate (rather than rent-restricted) accessory dwelling units.

- Objective: Monitor potential opportunities for accessory dwelling units with new home construction or as part of renovation or expansion of existing homes located on larger lots that are conducive to accessory dwelling unit creation.
- Timeframe: Identify all sites which meet threshold by 2024. Contact property owners by 2025. Ongoing advertisement of ADU opportunities as applications are submitted.
- Responsible Agency: Planning & Building Department.

3.E Affordable Housing Fund

The City will create a Piedmont affordable housing fund to receive philanthropic donations, in-lieu fees, and other sources of funding. These funds could be used for affordable housing programs including a loan program for ADUs with Habitat for Humanity

The affordable housing fund could be administered by a non-profit affordable housing developer, such as Habitat for Humanity, to make low-interest loans (e.g., 4% interest rate) available to low or moderate-income property owners (e.g., up to \$135,650 for a household of three people), with a focus on members of protected classes. Loans would be made available for the construction of new ADUs and Junior ADUs with occupancy restricted to very-low-income (31% to 50% AMI) and extremely-low-income (30% or less of AMI) residents.

The City is targeting supporting approximately 5 new income-restricted ADUs and/or Junior ADUs (JADUs) during the planning period.

The Program could be extended to property owners with above moderate incomes with additional funding sources, such as fund-raising efforts, philanthropic contributions, or grant funding.

- Objective: Investigate Affordable Housing Fund for the construction of new ADUs and Junior ADUs with occupancy restricted to very-low-income (31% to 50% AMI) and extremely-low-income (30% or less of AMI) residents for a period of 15 years.
- Timeframe: Meet with City Council in 2022 to discuss potential risks and opportunities.
- Responsible Agency: Planning & Building Department, City Council.

3.F Incentives for Rent-Restricted ADUs

Per State law (Gov. Code, § 65583, subd. (c)(7)), the City is currently considering several measures to incentivize the production affordable ADUs, including ADUs that would be deed-restricted for a period of 10 years to lower income households. Consistent with the findings and recommendations from the City's SB2 grant program, and in order to incentivize ADUs, the City will:

- Provide architectural plans for ADUs and JADUs that are "pre-approved" for a planning permit, subject to deed restriction.
- Increasing the allowed height of ADUs. This may include increasing the 16-foot height limit and/or measuring height to the average height of the highest roof surface to encourage sloped roof form (e.g. a gable or shed). This would enable two-story ADUs or second-story ADUs over a garage or living space in a primary residence (also see below).
- Allowing ADUs to be constructed over an existing detached garage (a configuration know as a Carriage House) and allowing height bonuses up to 24 feet and/or two stories, if the ADU is deed restricted for 10 years. Imposing a slightly wider setback of 6 to 8 feet could help mitigate the impact on neighboring properties.
- Allowing a larger, 300 square foot expansion of an existing accessory building.
 - Currently, conversion of an existing garage or other accessory structure into a JADU is currently limited to the existing square footage plus a maximum 150 square feet expansion to allow entry/exit from the unit.
 With small existing structures this may severely limit the feasibility of a JADU.
- Allow three ADUs on a single-family property, under the following conditions:
 - One is a standard ADU,
 - o One is a JADU, and
 - One ADU is rent restricted for a period of 10 years only if one of the following are met:

- An additional ADU greater than 500 square feet by right on properties that have an existing ADU, where the primary residence is at least 45 years old.
- The developer of the additional ADU may take a 5% increase in permitted FAR for the purposes of building the additional ADU, meaning 60% for lots less than 5,000 square feet, 55% for lots between 5,000 and 10,000 square feet, and 50% for lots greater than 10,000 square feet.
- The developer of the additional ADU may take a 5% increase in permitted structure coverage for the purposes of building the additional ADU, meaning 45% structure coverage in most cases.
- The total number of dwelling units on each Zone A or Zone E property would be four dwelling units.

Additionally, the City will continue to actively promote accessory dwelling unit construction in the 6th Cycle and expedite the review and approval of new ADUs. To the extent the City budget will allow, this will include keeping accessory dwelling unit application fees at less than one percent of construction costs as a way to encourage accessory dwelling unit production.

- Objective: Consider amendments to the zoning regulations and procedures that create new incentives for rent and income-restricted ADUs and streamline the review of all ADUs and JADUs.
- Timeframe: Amend ADU ordinance within 3 years of Housing Element adoption.
- Responsible Agency: Planning & Building Department.

3.G Inclusionary Housing

Inclusionary housing is generally a program that requires provision of affordable housing on-site or off-site, or payment of an affordable housing in-lieu fee, as part of an otherwise market-rate housing development. The City will evaluate the potential to establish inclusionary housing requirements for new multi-family housing development, which would require affordable housing development. The City should also consider alternatives, such as land dedication and/or payment of an in lieu fee, with the fee adequately calibrated to be equivalent to the cost of constructing an affordable unit.

- Objective: Provide additional affordable housing opportunities equally distributed and integrated with market rate developments.
- Timeframe: Issue RFP to hire consultant to evaluate inclusionary options by end of 2023. Finalize recommendations by end of 2024. Adopt requirements early 2025, if applicable and recommended by the analysis.
- Responsible Agency: Planning & Building Department.

Goal 4: Elimination of Housing Constraints

Policies

Policy 4.1: Communicating Planning and Building Information. Encourage public understanding of the planning and building processes in Piedmont to facilitate permit processing and reduce project costs and delays.



- **Policy 4.2: Planning and Building Standards.** Ensure that planning and building standards, development review procedures, and fees do not form a constraint to the development, conservation, and rehabilitation of housing, or add unnecessarily to the cost of building or improving housing.
- **Policy 4.3: Expeditious Permitting.** Promote the expeditious processing and approval of residential projects that are consistent with the General Plan, the Zoning Ordinance, and Objective Design Standards and Design Guidelines (for projects that do not add a new housing unit).
- **Policy 4.4: Updating Standards and Codes.** Maintain updated codes and standards for residential development to reflect changes in State and federal law, new technology, and market trends.
- **Policy 4.5: Code Flexibility.** Allow certain development standards to be relaxed to accommodate affordable housing, where there is no threat to the health, safety, and welfare of the City or potential for adverse impacts on the surrounding neighborhood.
- **Policy 4.6: Housing Coordinator.** Designate the Planning and Building Director as the City's Housing Coordinator.
- **Policy 4.7: Infrastructure Maintenance.** Support the regular maintenance of infrastructure, including water, sewer, drainage, streets, and sidewalks, so that these facilities are available when new housing is proposed.
- **Policy 4.8: Infrastructure Prioritization for Lower Income Housing.** Consistent with Government Code §65589.7, prioritize water and sewer services to lower income housing developments to help meet Piedmont's share of the regional share of lower-income housing units. Work with East Bay Municipal Utility District (EBMUD) water service.
- **Policy 4.9: Housing Finance Programs.** Participate in appropriate County programs which address financial constraints for first-time homebuyers, including down payment assistance, silent second mortgages, Mortgage Credit Certificates, and Mortgage Revenue Bonds.

Programs

4.A Media Strategy

Several pamphlets and printed handouts have been prepared to explain Piedmont's planning and permitting requirements. Over time, the City has improved and updated

these materials to make them more readable and incorporate contemporary graphic design conventions. The City's website also continues to expand and improve. In recent years, especially during the COVID-19 pandemic, the website and email bulletins have become a more important information resource and have overtaken printed pamphlets as the preferred means of obtaining information by most customers. Many application materials are now downloadable from the City's website. Continued efforts should be made to improve the content and usability of information on the Planning homepage, and to use the web to assist residents and reduce the wait for permits. New tools such as YouTube video tutorials will be considered to inform applicants of permitting procedures and requirements.

- Objective: Prepare and update printed brochures and web-based materials which inform residents about the planning and building processes in Piedmont.
- Timeframe:
 - Update all printed brochures with the most recent information as of Housing Element adoption by end of 2023.
 - Upload materials to the website by end of 2023.
 - Update materials as new processes, standards, or guidelines are adopted is ongoing.
- Responsible Agency: Planning & Building Department.

4.B Home Improvement Workshops

In the past, the City Planning Commission has held sessions on topics such as window replacement and upper story additions. Additional Planning Commission sessions on Bayfriendly landscaping, solar panel installation, energy conservation, and other home improvements would be helpful and could ultimately make home maintenance and improvement projects more affordable for Piedmont households. Such workshops should be aired on KCOM (local access cable) to reach as broad an audience as possible. The City has set a target of providing at least two workshops during the planning period.

- Objective: Conduct City-sponsored meetings, programs, and workshops which inform residents on home improvement and maintenance practices in Piedmont.
- Timeframe: Seminars held in 2023 and 2024.
- Responsible Agency: Planning & Building Department.

4.C Building Code Updates and Ongoing Enforcement

As updates to the California Building Code of Regulations are published, the City should amend Chapter 8 of the City Code (the Building, Construction and Fire Prevention Code). Amendments reflecting local concerns may also be made, as needed. Particular attention should be given to standards which would encourage creation of accessory dwelling units in the City. There may be instances where exceptions to the Code could be considered

(for instance, lower ceiling heights or the design of existing staircases) to make it easier for property owners to convert unintended units/space into rental properties.

- Objective: Continue to implement the California Building Code of Regulations, as locally amended. Update or amend the codes as State requirements change, and as conditions in Piedmont warrant.
- Timeframe: Ongoing.
- Responsible Agency: Planning & Building Department.

4.D Fee Review

Fees should be reviewed annually to ensure that they cover operating costs only. Planning and building fees are not used to subsidize other City departments and services. The City should continue efforts to use a "sliding scale" for planning and building fees based on project value to reduce the cost burden on applicants for minor home improvements. Fees should also be structured to provide incentives for rent-restricted accessory dwelling units and other projects which provide opportunities for lower income households.

- Objective: Review all planning and building fees annually to be sure that they cover required costs but are not more than is necessary to provide the required City services
- Timeframe: Ongoing.
- Responsible Agency: Finance Director, Planning & Building Director.

4.E Temporary Staff Additions

As a small city, Piedmont is susceptible to fluctuations in the volume of planning and building applications. With only one building inspector, one plan checker, and a small planning staff, processing of all applications at the same speed throughout the year can be a challenge. Vacation schedules, staff absences, and staff turnover add to this challenge. Because the City is committed to customer service in its Planning and Building functions, contract staff may be hired to provide building inspection, plan checking, and planning services during peak periods or prolonged staff absences. This will continue in the future.

- Objective: Add contract staff as needed to ensure prompt processing of all applications.
- Timeframe: Ongoing.
- Responsible Agency: Planning & Building Director.

4.F Capital Improvement Plan (CIP) Updates

The CIP update provides assurance that City-maintained facilities such as streets, sidewalks, and storm drains are kept in excellent condition, thereby avoiding deferred maintenance expenses for Piedmont residents. The City has created a CIP Committee to provide citizen input in this process. At least once a year, the CIP Committee should be

briefed on the Piedmont General Plan, including the Housing Element, and the requirement that CIP decisions be consistent with Plan policies and priorities. Funding for the maintenance and replacement of City facilities also occurs through the Facilities Maintenance Fund. The Fund was established per City Council directive in FY 2007-08. It identifies annual maintenance needs for all buildings owned by the City as well as parks and recreational facilities.

- Objective: Annually update the Capital Improvements Plan (CIP) and Facilities
 Maintenance Fund to ensure that municipal systems are kept in good condition
 and that funding decisions are consistent the General Plan, including the
 Housing Element.
- Timeframe: Ongoing.
- Responsible Agency: Public Works Director.

4.G Monitoring the Effects of the City Charter

In the 5th Cycle Housing Element, Piedmont's rent-restricted accessory dwelling unit program was successful in accommodating and achieving the City's share of the regional housing need, including producing housing for very low-income households. However, given the substantial increase in the City's fair share of housing in the 6th Cycle, and other new State laws, the City will need to expand residential opportunities. The City Charter requires a citywide vote for zoning map changes or zone reclassification, which constrains the development of a variety of housing types, particularly high-density multi-family housing (See Appendix C) and has implications on the City's ability to diversify housing options to meet fair housing goals (See Appendix F). To address this constraint, the City allows multi-family housing in the commercial zone (Zone D) and has created new incentives for multi-family uses (for example see Program 1.H). This Program supplements other programs by monitoring and annually evaluating and reporting on the effects of the City Charter on: (a) the cost and supply of housing, particularly multi-family housing and (b) the effectiveness of City strategies to mitigate related impacts of the Charter.

City Planning and Building Department staff will continue to track annual housing production and permit activity as they have in the past and will prepare annual reports to the Council evaluating housing and building permitting trends and the effects of the Charter as described above. These reports will specifically evaluate the Charter for impacts on multi-family housing production and costs based on various criteria such as:

- Any failure of a citywide ballot measure associated with a proposed Zoning Map change to multi-family housing.
- A multi-family development proposal which has been endorsed or approved by the Planning Commission or City Council but does not proceed because a citywide ballot measure to change the zoning would be required.

- Conclusions of research done by a third-party finding that the City Charter constrains the ability to do multi-family housing.
- Lack of multi-family development proposals.
- Input from the development community, including non-profits, property owners, stakeholders and advocates on behalf of lower-income households such as the Non-Profit Housing Association of Northern California (NPH), EBHO and the League of Women Voters.

Based on the outcomes of the evaluation, the City will implement program and zoning changes within 12 months including, if necessary, a Charter amendment or other appropriate remedies not requiring voter approval. These remedies could include streamlining multi-family permit procedures and identifying and designating, additional sites for multi-family development within 12 months.

- Objective: Monitor, evaluate, and report on the effects of the City Charter on:

 (a) the cost and supply of housing, particularly multi-family housing and (b) the effectiveness of City strategies to mitigate related impacts of the Charter. Adopt strategies to address and mitigate identified constraints.
- Timeframe: Review the effects of the Charter annually, if constraints are identified, begin Charter modifications within 12 months.
- Responsible Agency: Planning & Building Department.

4.H Modify Charter Regarding Zoning Amendments

The City will consider modifying Section 9.02 of its charter to eliminate the requirement that the reclassification of zones and/or reduction or enlargement of size or area of zones be subject to a majority vote at a general or special election, as this presents a constraint to the production of housing.

- Objective: Facilitate housing development by authorizing the Piedmont City
 Council to make necessary zoning amendments. Amend the City Charter to
 eliminate the requirement that that the reclassification of zones and/or
 reduction or enlargement of size or area of zones be subject to a majority vote
 at a general or special election.
- Timeframe: Within 3 years of Housing Element adoption.
- Responsible Agency: Planning & Building Department, City Attorney.

4.1 Health and Safety Code 17021.5 Compliance

The California Legislature has established that cities must allow the development of employee housing commensurate with local needs. State Health and Safety Code (Section 17021.5) requires that cities treat employee housing for six or fewer employees as single-family residential uses and allowed by right in residential zones which allow

single-family uses. Employee housing may not be defined as "a boarding house, rooming house, hotel, (or) dormitory."

The City does not currently allow employee housing (also called farmworker housing) in any zoning districts. The 5th Cycle Housing Element Update included Program 4.I (Health and Safety Code 17021.5 Compliance; program number modified to reflect current numbering) to amend the City Code to ensure compliance with the employee housing provisions of California Health and Safety Code §17021.5. This program was not yet completed.

- Objective: Amend the City Code to ensure compliance with the employee housing provisions of California Health and Safety Code 17021.5.
- Timeframe: Within 1 year of Housing Element adoption.
- Responsible Agency: Planning & Building Department.

4.J Small Lot Housing Study

As discussed in Program 2.B, the City's existing supply of small homes is currently protected by limitations on the square footage and coverage of structures and parking requirements. However, to further facilitate development of smaller homes, the City will study and develop standards for small lot/infill projects to facilitate small home projects. The City should study measures that other cities are taking to retain smaller homes and determine if any of these measures might be transferable to Piedmont. One concept to be explored is to include a category in the City's annual design awards program for outstanding small homes and accessory dwelling units.

- Objective: Explore other incentives to protect small homes, including design awards for exemplary small home improvement projects.
- Timeframe: Complete small lot/infill study by 2025.
- Responsible Agency: Planning & Building Department.

4.K Small Lot Affordable Housing Study

The City should seek funding to conduct a study to better understand viability of affordable housing development on small lots, or develop a program to help facilitate the consolidation of land to realize the potential of smaller building sites in this area. The study would analyze viability of small site and small project (e.g. <10 unit) affordable development projects.

- Objective: Understand the viability of affordable housing on smaller, infill lots.
- Timeframe: When grant funds become available or reconsider in 2024.
- Responsible Agency: Planning & Building Department.

4.L Allow Parking Reductions for Multi-Family, Mixed-Use, and Affordable Projects

The City should allow parking reductions for certain multi-family, mixed-use, and affordable projects in order to reduce constraints that may adversely affect multi-family project feasibility. Priority reductions shall be granted for projects with affordable housing. Parking reductions should be coupled with programs to prevent overflow parking or other impacts on city mobility and emergency vehicle access, such as centralized structured parking, regulated on-street parking, residential parking permits, transportation demand management, red curb parking restrictions on narrow or marginal streets, or other strategies.

- Objective: Reduce constraints to multi-family housing development and amend the Zoning Ordinance to reduce parking for multi-family, mixed-use, and affordable housing projects.
- Timeframe: Amend the Zoning Ordinance within 1 year of Housing Element adoption.
- Responsible Agency: Planning & Building Department

4.M Facilitate Multi-Family and Residential Mixed-Use Projects by Right Subject to Objective Standards

Consistent with State law, including SB 35 and SB 330, the City will adopt objective design standards for multi-family and residential mixed-use projects. The purpose of these standards is to expedite the approval and development process for such projects and support the City in meeting its housing goals.

The City is currently undergoing a study to develop recommendations for objective design standards for multi-family and residential mixed-use projects in Zone C and Zone D, with the intent of increasing density and development potential, reducing level of review and allowing multi-family and residential mixed-use by right, subject to the objective standards. Updates are planned in two phases, first, to amend the Piedmont Design Guidelines, and second, to amend the City Code. Recommendations include upper story step-backs, articulation requirements, regulation of building placement, standards for frontage design, and standards for architectural elements. Code amendments for SB35 development will include consideration of relaxation of street yard setback, coverage, and height standards, as well as new provisions for required private and shared open space and transportation demand management standards. The City has a target of 50 multi-family housing units facilitated during the planning period.

• Objective: Adopt objective design standards for multi-family and residential mixed-use projects and amend required findings for approval to eliminate subjectivity consistent with State law.

• Timeframe: Adopt first phase of standards by mid-2022. Complete second phase City Code amendments by end of 2023.

Responsible Agency: Planning & Building Department.

4.N Allow Transitional and Supportive Housing by Right in Zones that Allow Residential Uses

Consistent with AB 2162 and other State law provisions, the City will amend the Zoning Ordinance to permit transitional and supportive housing uses by-right in all zones which allow residential uses, subject to the same standards of similar dwellings. Currently, transitional and supportive housing are only allowed by right in Zone B (Public Facilities; see Piedmont City Code Section 17.22.020(F)). All other zones in the City allow for residential uses (i.e., Zone A, C, D, and E).

- Objective: Amend the Zoning Ordinance to facilitate transitional and supportive housing throughout the planning period.
- Timeframe: Amend the Zoning Ordinance within 1 year of Housing Element adoption.
- Responsible Agency: Planning & Building Department.

4.0 Allow Low Barrier Navigation Centers by Right in Zones that Allow Residential Uses

The City's Zoning Ordinance does not specifically address Low Barrier Navigation Centers pursuant to AB 101 (Government Code §65660 et seq.). Low Barrier Navigation Centers are Housing First, low-barrier, service-enriched shelters focused on moving people into permanent housing that provides temporary living facilities while case managers connect individuals experiencing homelessness to income benefits, health services, shelter, and housing. Low Barrier Navigation Centers must be allowed by-right in all residential zones, areas zoned for mixed-uses, and nonresidential zones permitting multi-family uses. Therefore, the City must amend the Zoning Ordinance to allow Low Barrier Navigation Centers in all zones that allow residential and mixed-use, consistent with AB 101 (Government Code §65660 et seq.).

- Objective: Amend the Zoning Ordinance to facilitate low barrier navigation centers throughout the planning period.
- Timeframe: Amend the Zoning Ordinance within 1 year of Housing Element adoption.
- Responsible Agency: Planning & Building Department.

4.P Residential Care Facilities

State law requires local governments to treat licensed residential care facilities (sometimes called group homes) with six or fewer residents as a residential use and

subject to the same development standards as a single-family dwelling. Furthermore, no conditional use permit, zoning variance, or other zoning clearance shall be required of a residential facility that serves six or fewer persons that is not required of a family dwelling of the same type in the same zone. The residents and operators of a residential care facility shall be considered a family for the purposes of any law or zoning ordinance that relates to the residential use of property. However, "six or fewer persons" does not include the operator, operator's family, or persons employed as staff. These facilities are licensed and regulated by the State of California.

The City does not define or allow residential care facilities in the Zoning Ordinance. To comply with State law, the City adds this Program to amend the Zoning Ordinance to permit residential care facilities for six or fewer persons by right in all zones which allow residential uses and consider provisions for care facilities for seven or more persons.

- Objective: Amend the Zoning Ordinance to define and allow residential care facilities consistent with State law.
- Timeframe: Amend the Zoning Ordinance within 1 year of Housing Element adoption.
- Responsible Agency: Planning & Building Department.

4.Q Parking Reductions for Persons with Disabilities, Seniors, and Other Housing Types

Persons with disabilities normally have certain housing needs that include accessibility of dwelling units, access to transportation, employment, and commercial services; and alternative living arrangements that include on-site or nearby supportive services. The Lanterman Developmental Disabilities Services Act of the California Welfare and Institutions Code (§5115 and §5116) declares that mentally and physically disabled persons are entitled to live in normal residential surroundings. This classification includes facilities that are licensed by the State of California to provide permanent living accommodations and 24-hour primarily non-medical care and supervision for persons in need of personal services, supervision, protection, or assistance for sustaining the activities of daily living. It also includes hospices, nursing homes, convalescent facilities, and group homes for minors, persons with disabilities, and people in recovery from alcohol or drug addictions.

The City ensures that new housing developments comply with California building standards (Title 24 of the California Code of Regulations and the Americans with Disabilities Act (ADA)) and federal requirements for accessibility. The City's definition of family includes unrelated individuals living as a single unit and does not unnecessarily constrain living configurations conducive to persons with disabilities. However, the Zoning Ordinance does not define or contain regulations for the provision of housing types designed for persons with disabilities. Also, as noted above, there are no parking

reductions for housing types for persons with disabilities; neither are there parking reductions for senior or other housing types. As such, this Program recommends amending the Zoning Ordinance to include parking reductions for housing for persons with disabilities, seniors, and other housing types which may not require the standard number of spaces.

- Objective: Allow parking reductions for housing for persons with disabilities, seniors, and other housing types to reduce development constraints.
- Timeframe: Amend the Zoning Ordinance within 1 year of Housing Element adoption.
- Responsible Agency: Planning & Building Department.

4.R Permit Streamlining

California Senate Bill 35 ("SB 35"), codified at Government Code Section 65913.41, became effective January 1, 2018. The intent of SB 35 is to expedite and facilitate construction of affordable housing. SB 35 requires cities and counties that have not made sufficient progress toward meeting their affordable housing to streamline the review and approval of certain qualifying affordable housing projects through a ministerial process. The City complies with State requirements of SB35 as part of project review when projects are proposed.

However the City proposes to adopt local procedures consistent with SB35. The City will develop an application form, checklist, and written policy and/or project approval guidelines to specify the SB 35 streamlining approval process and requirements for eligible projects as set forth under Government Code §65913.4 and the HCD Updated Streamlined Ministerial Approval Process Guidelines.

- Objective: Permit streamlining consistent with SB 35.
- Timeframe: Develop department application form, handouts, and checklists and provide on City's website within 1 year of Housing Element adoption.
- Responsible Agency: Planning & Building Department.

4.S Prioritize Sewer Hookups for Residential Development for Lower-Income Housing

Consistent with Government Code Section 65589.7, the City will adopt written policies and procedures that grant a priority for sewer hookups to developments that help meet Piedmont's share of the regional need for lower-income housing. Government Code §65589.7 also requires adopted housing elements to be immediately delivered to all public agencies or private entities that provide water or sewer services for industrial and municipal uses, including residential. The City will provide the adopted Housing Element to EBMUD immediately upon adoption.

- Objective: Grant a priority for sewer hookups to developments that help meet
 Piedmont's share of the regional need for lower-income housing.
- Timeframe: Mid 2024.
- Responsible Agency: Planning and Building Department/Public Works Department

4.T Establish Standards for Emergency Shelters

Consistent with SB2 and Government Code Section 65583(a)(4), the City will amend the Zoning Ordinance to establish objective standards for emergency shelters including the maximum number of beds, parking requirements for shelter staff, provision of onsite management, length of stay, and security as allowed by SB 2.

- Objective: Develop objective standards for Emergency shelters.
- Timeframe: Amend the Zoning Ordinance within 1 year of Housing Element adoption.
- Responsible Agency: Planning and Building Department

Goal 5: Special Needs Populations

Policies

Policy 5.1: Retrofits for Diminished Mobility of Piedmont Residents. Ensure that planning and building regulations accommodate the retrofitting of homes to meet the needs of aging or disabled residents.



Policy 5.2: Accessory Dwelling Units, Shared Housing, and Seniors. Encourage accessory dwelling units and shared housing as strategies to help seniors age in place. Accessory dwelling units and shared housing can provide sources of additional income for senior homeowners, housing for seniors wishing to move to Piedmont, and housing resources for seniors seeking to downsize but remain in Piedmont.

Policy 5.3: Reasonable Accommodation. Continue to provide reasonable accommodation for people with disabilities, including developmental disabilities, in the City's rules, policies, practices and procedures related to zoning, permit processing and building codes.

Policy 5.4: Extremely Low-Income Residents. Strive to meet the needs of extremely low-income Piedmont community members, including single parents, seniors on fixed incomes, and persons in financial crisis or at risk of losing their homes.

Policy 5.5: Regional Approaches to Homelessness. Actively cooperate with and participate in regional discussions and programs addressing homelessness and the need for emergency shelter and supportive housing in the East Bay.

Policy 5.6: Foreclosure. Support State, regional, and countywide initiatives to reduce the risk of foreclosure and to assist those facing foreclosure.

Policy 5.7: Persons with Disabilities. Address the unique housing needs of Piedmont community members with disabilities, including those with developmental disabilities.

Programs

5.A Shared Housing Publicity and Media Initiative

Piedmont City Code Section 17.40.020 authorizes homeowners to rent a room or multiple rooms to a tenant (under a single lease). The City continues to inform residents of the regulations for renting rooms. However, there are no handouts or FAQs (frequently asked questions) available to this effect at this time.

Home sharing can enable a live-in caregiver, or simply provide for added security and assistance for a senior householder. It also provides potential affordable housing opportunities for very low- and extremely low-income households. Programs such as those named in 5.B, below, can help place housemates with Piedmont homeowners.

A public information campaign, including web-based information and news articles, is recommended to encourage additional room rentals during the planning period. The target audience for such a campaign would be persons living alone in large single-family homes.

- Objective: Increase awareness of Piedmont's shared housing regulations and encourage households to participate in the program.
- Timeframe: Initiate in 2022 and ongoing.
- Responsible Agency: Planning & Building Department.

5.B Shared Housing Matching Services

Some of Piedmont's "empty nesters" or other residents who have surplus space in their homes may wish to rent that space in return for income or care, but they may be reluctant to rent to strangers. The non-profit Eden Council for Hope and Opportunity (ECHO Housing), which serves residents throughout Alameda County, operates a shared housing program which could potentially benefit these residents. Organizations, such as Roomily and Covia Home Match, provide similar programs. These programs match persons needing housing with homeowners who have available space. Shared housing programs can also provide a resource for low-income households, including families as well as seniors. The ECHO program includes counseling on shared living, supportive services, referrals, and educational workshops on home sharing. To help increase awareness of home sharing options, The City will issue a request for proposals (RFP) to partner with an organization to provide shared housing matching services (such as counseling, referrals, educational workshops, and supportive services) in Piedmont.

Any shared housing program in Piedmont should be designed to include extremely low-income families, as well as empty nesters and other seniors. The City has set a target of achieving shared housing arrangements for at least 10 persons during the planning period.

- Objective: Issue an RFP to partner with an organization to provide shared housing matching services, particularly to low-income households, including families and seniors.
- Timeframe: Mid 2023.
- Responsible Agency: Planning & Building Department, City Administrator.

5.C Assistance to Nonprofit Developers

There are several nonprofit entities in the East Bay who are actively engaged in developing housing for low- and moderate-income households. These developers make an important contribution to the region's housing market and are the largest producers of affordable housing units in the area. Although there are very few vacant sites in Piedmont, the City is committed to working collaboratively with the nonprofit sector, including developers who represent underserved and/or racially and ethnically diverse communities.

As development opportunities arise, the City will provide technical assistance to nonprofits in the completion and/or co-sponsoring of applications for State and federal housing funds and other grants. The City will also work with nonprofit applicants to identify and proactively address issues of concern in the community, such as traffic, parking, and design compatibility. Finally, the City will consider regulatory concessions, incentives, and other methods which reduce project costs and make the project more viable.

The City has begun assisting Habitat for Humanity in their plans to provide services to low-income residents and will be proactive to help nonprofit developers to develop housing.

- Objective: Provide assistance to nonprofit entities interested in developing housing for low- and moderate-income Piedmont residents, including the elderly and others with special needs.
- Timeframe: Ongoing. Biannual check-in.
- Responsible Agency: Planning & Building Department, City Administrator.

5.D Accommodations for Disabled Persons

The City will work with local advocates and service providers (such as the Center for Independent Living) to provide an explanation of the process to retrofit a home to meet the needs of persons with disabilities, including developmental disabilities, on an as requested basis. Links to the websites of key service providers and advocacy organizations should be provided on the City's website. Printed information (such as brochures or FAQ handouts) produced by these organizations should be available at City Hall, on an as requested basis. This information should identify the range of features that

might be incorporated in a barrier-free home, and the steps an applicant would need to take to add these features to a residence.

- Objective: Provide access to printed and web-based information on an as requested basis which describes the procedures for making a Piedmont home "barrier free".
- Timeframe: City website with links will be provided by December 2023. Printed materials available by December 2023, upon request, and updated annually (as appropriate). Meetings with advocates upon request.
- Responsible Agency: Planning & Building Department.

5.E Housing Support for Families in Crisis

Despite the absence of a visible (albeit present) homeless population in Piedmont, the City is located in an urban area where homelessness is a serious issue and families often keep hidden their experiences of homelessness or their risk of homelessness. For example, during the COVID-19 pandemic, approximately 41 Piedmont residents requested emergency rental assistance to remain in their apartments or homes.

Piedmont currently provides financial assistance to Alameda County to fund countywide programs which meet the needs of homeless persons and persons at risk of becoming homeless. The beneficiaries of these programs may include Piedmont residents, as well as those in other cities. On an ongoing basis, the City will stay apprised of homelessness issues, work with homeless service providers, and offer referrals for any Piedmont resident faced with the risk of homelessness.

- Objective: Support public and non-profit agencies in Alameda County which provide food and shelter for families in crisis.
- Timeframe: Ongoing.
- Responsible Agency: City Administrator.

5.F EveryOne Home

In October 2009, the City of Piedmont joined 13 other cities in committing to work with Alameda County to alleviate homelessness. The Countywide Plan has been prepared in response to federal requirements that mandate the development of subregional plans to end homelessness. It recognizes the regional nature of the problem and the need for regional solutions. The Plan was designed to end chronic homelessness and provide more secure and permanent housing for low-income people with mental illness, HIV/AIDS, and other disabilities or high risk of homelessness. It includes a 10-year action plan, within a broader 15-year implementation plan. More recently, Alameda County developed its own plan to address homelessness. Piedmont will work with Alameda County to understand

potential opportunity to adopt a similar plan for the City of Piedmont, which would replace EveryOne Home.

Participating in an established homeless plan is an important part of Piedmont's efforts to meet the housing needs of extremely low-income households, as required by State law. Endorsement of the plan by the City establishes general agreement with its strategies and provides a guide to address homelessness in a way that is consistent with other communities in Alameda County. It also represents a funding commitment by the City to countywide homeless services. The City of Piedmont contributes a pro-rata share of the funds used for operation and administration of the program.

- Objective: Participate in the Alameda County EveryOne Home Program, a
 Countywide planning effort to increase housing opportunities for extremely lowincome and disabled persons and strengthen the services the County provides
 to the homeless. Investigate opportunities to incorporate elements of the
 Alameda County plan, or develop a Piedmont specific plan.
- Timeframe: Ongoing.
- Responsible Agency: Planning & Building Department, City Council.

5.G Faith Community Participation

Piedmont's religious institutions, including but not limited to churches and synagogues, are potential partners in efforts to address the housing needs of extremely low-income residents in Piedmont and nearby cities. Across California, 38,800 acres of developable land held by faith-based organizations could (and very likely would) be developed for affordable housing, if local land-use regulations would permit them. Assembly Bill 1851 requires that local governments allow religious institution affiliated housing development projects by right and update their parking requirements for this use (i.e., not require a replacement of parking that the new housing has been constructed on). Updating the City's regulations would remove constraints that currently make it difficult to build housing on property held by religious institutions. (see also Program 1.D above).

Additional efforts should be made to coordinate local housing programs with the faith community. Introduce the concept of the use of faith-based institutions as partners in the development of new income-restricted and supportive housing in Piedmont. The City will also continue to work with its congregations to promote charitable contributions and develop proactive solutions to avoid homelessness and help those at risk of becoming homeless. This includes not only housing-related programs, but those which help extremely low-income persons with other needs, such as food, medical assistance, and access to supportive services. This Program is implemented on an on-going basis. Local houses of worship continue to provide volunteer-run services (house repairs, tiny home construction, financial support, food drives, etc.) for lower income persons.

- Objective: Work with the local faith community to serve residents in need within Piedmont and the greater East Bay, and to identify potential partners for meeting local extremely low-income housing needs.
- Timeframe: Ongoing.
- Responsible Agency: City Administrator, Planning and Building Department.

5.H Housing for Extremely Low-Income Individuals and Households

Pursuant to Assembly Bill 2634, local governments are required to assist in the development of a variety of housing types to meet the needs of these households. In larger communities, this is usually done by accommodating single room occupancy hotels (SROs), providing multi-family developments with units set aside for extremely low-income (ELI) households, and facilitating supportive and transitional housing. In smaller communities, provisions for shelters and supportive and transitional housing are required by State law, but additional steps must still be taken to meet the diverse housing needs of extremely low-income residents.

Based on the most recent data available from the U.S. Department of Housing and Urban Development's Comprehensive Housing Affordability Strategy (CHAS) American Community Survey from 2013-2017, 47 percent of Piedmont's households with incomes of \$41,100 or less are headed by seniors (110 of 234 households). Several programs under this goal focus on these residents (Programs 5.B and 5.H). As these programs are administered, the City will place a priority on serving extremely low-income senior applicants.

For extremely low-income residents in Piedmont who are *not* seniors, accessory dwelling units, SROs, and shared housing are the best prospects for meeting housing needs. Anecdotally, an unknown number of the City's accessory dwelling units appear to be occupied by extremely low-income households who live rent-free in accessory dwelling units in exchange for assistance with home repair and other household chores. Such units are an important housing resource for extremely low-income households and should be sustained.

In addition, Single-Room Occupancy (SRO) units are also one of the most traditional forms of affordable housing for lower income individuals, including seniors, persons with disabilities, and extremely low-income persons. An SRO unit is usually small, between 80 and 250 square feet. These units provide a valuable source of affordable housing and can serve as an entry point into the housing market for formerly homeless people.

The City has applied for a Homekey grant with Bay Area Community Services in the amount of \$20 million to provide shared housing with supportive services to extremely low-income members of the community.

In the future, the City will explore options to increase the inventory of extremely low-income housing. This is already being done through allowances for room rentals and units to be constructed without off-street parking if they are 500 square feet or less and comply with JADU development regulations. It could also be done through a waiver of the business license tax, fee reductions or other incentives so that some of the very low-income units produced through the affordable accessory dwelling unit program are suitable for extremely low-income households, including seniors and persons with disabilities.

 Objective: Explore ways to expand the inventory of housing for ELI households and encourage the development of SROs, shared housing, and additional extremely low-income accessory dwelling units through the City's affordable accessory dwelling unit program and other means. Amend the Zoning Ordinance to allow SROs in Zone C and Zone D.

Timeframe:

- Zoning amendments to allow SROs in Zones C and D within 3 years of Housing Element adoption.
- Exploring opportunities to expand the inventory for ELU households is ongoing.
- Responsible Agency: City Clerk, Planning and Building Department.

5.1 Housing For Extremely Low-Income Families

The City will pursue new incentives for housing for extremely low-income families, including apartments, two-bedroom units, and larger ADU incentives. The intent of this Program is to provide larger housing configurations to serve families, whereas the actions in Program 5.H. are intended to serve individuals.

Piedmont presently allows accessory dwelling units to be as large as 1,200 square feet if the units are rent restricted to very low-income households, including extremely low-income households. The allowance for larger units if the unit is rented to a very low-income household provides a strong incentive that benefits extremely low-income families. A unit of this size would typically be associated with a two-bedroom apartment or carriage house, which could accommodate a three or four person extremely low-income family.

The City will also pursue additional incentives to encourage the inclusion of units that are affordable to extremely low-income households in new multi-family development. This Housing Element includes programs to develop incentives such as allowances for higher lot coverage and floor area ratios in Zone C for buildings that dedicate one or more units for extremely low-income families and amendments to land use regulations in Zone D to make multi-family housing more feasible for low-income residents, including extremely low-income residents. The City has a goal of facilitating 5 new units for ELI individuals.

- Objective: Develop incentives to meet the needs of Piedmont's extremely lowincome families, potentially including modified development standards for ADUs.
- Timeframe: Investigate incentives by June 2023 and pursue recommendations within 1 year.
- Responsible Agency: Planning & Building Department, Building Official.

5.J Developmentally Disabled Residents

Developmentally disabled residents include those with cerebral palsy, autism, epilepsy, and other conditions that typically appear before an individual reaches 18. Supportive housing is often required for such individuals to lead independent lives upon adulthood. As required by State law, the City will continue to work with social service providers to explore opportunities for such housing within Piedmont. The City will also maintain communication with the Regional Center of the East Bay to identify service needs within the City and to identify available resources for local residents.

- Objective: Coordinate with the Regional Center for the East Bay, the East Bay
 Housing Consortium, and other organizations to better respond to the housing
 needs of developmentally disabled Piedmont residents and ensure that
 sufficient resources exist within and around the community to meet these
 needs.
- Timeframe: Ongoing.
- Responsible Agency: Planning & Building Department, Building Official.

5.K Transitional and Supportive Housing for Extremely Low-Income Residents

The City is pursuing collaborative Alameda County grant funding so that a local affordable housing organization may be able to purchase a single-family home in a single-family neighborhood in Piedmont to convert into transitional and supportive housing for six persons in a shared housing community. The house or houses will be limited to six extremely low-income residents who have experienced chronic homelessness.

- Objective: Collaborate with nonprofit affordable housing organization to convert a home or homes to transitional housing for six persons.
- Timeframe: Within 3 years of adoption of final Housing Element.
- Responsible Agency: Planning and Building Department.

Goal 6: Sustainability and Energy

Policies

Policy 6.1: Energy-Efficient Design. Require all new housing to be designed to encourage energy efficiency. Building design and construction methods should promote and support energy conservation.



Policy 6.2: Energy-Efficient Materials. Encourage major additions and remodeling projects to use windows, building materials, ventilation systems, and appliances which reduce home heating and cooling costs and conserve energy resources.

Policy 6.3: Weatherization. Encourage weatherization of existing homes to reduce heating and cooling costs and lower home energy bills.

Policy 6.4: Renewable Energy. Maintain development regulations which accommodate the installation of solar panels and other devices which result in lower energy costs for homeowners and renters.

Policy 6.5: Energy Retrofits. Support the use of federal, State, county, and utility-sponsored programs which provide financial assistance or incentives for energy retrofits.

Policy 6.6: Housing and Climate Change. Recognize the link between housing and climate change in the City's decision-making process. Specifically, the City should strive to create additional local housing opportunities for persons employed within Piedmont in order to reduce commuting and associated greenhouse gas emissions. A particular emphasis should be placed on transportation and on housing for municipal and school district employees, since these are the largest employers in the City.

Policy 6.7: Water Conservation. Encourage drought-tolerant and Bay friendly landscaping as a way to conserve water, reduce greenhouse gas emissions associated with water transportation, and reduce homeowner water bills, thereby freeing up more income for other purposes.

Programs

6.A Title 24 and Reach Codes

The City will continue to require compliance with the Title 24 energy efficiency standards established by the California Energy Commission and Reach Codes adopted by the City Council. Adhering to these standards can reduce energy costs in new construction and existing buildings undergoing renovations by as much as 50%.

- Objective: Continue to enforce Title 24 requirements for energy conservation.
- Timeframe: Ongoing.
- Responsible Agency: Planning & Building Department, Plan Checker.

6.B Green Housing

"Green" construction has the potential to reduce home utility costs and produce healthier living environments. The City should use tools such as the "Build it Green" checklist to encourage greener housing construction. The City will also monitor proposed changes to the building code at the State level and amend its ordinances accordingly.

- Objective: Explore ways to encourage and incentivize greener residential construction.
- Timeframe: Ongoing.
- Responsible Agency: Planning & Building Department, Building Official.

6.C Renewable Energy Funding Assistance

In 2009, the City of Piedmont developed a Climate Action Plan (CAP) to help achieve local greenhouse gas reduction goals. Because it is a City of older single-family homes, Piedmont must find ways to improve the energy efficiency of its existing housing stock in order to meet these goals. In December 2009, the City voted to join the California Statewide Communities Development Authority (CSCDA) and the California FIRST Program. More recently, the City has been participating in Energy Upgrade California, a statewide program that provides financial assistance for homeowners for select energy-saving home improvements. The program includes energy assessments and physical improvements that reduce energy loss and improve energy efficiency. It encompasses rebates and incentives, income-qualified assistance for energy bills, and financing assistance to households seeking to install renewable energy systems and similar improvements. Piedmont will continue to participate in such programs in the future, reducing the burden of utility costs on homeowners and renters, while advancing its climate action and sustainability objectives.

- Objective: Participate in Energy Upgrade California or equivalent programs which assist homeowners with renewable energy and energy efficiency improvements on their property.
- Timeframe: Ongoing.
- Responsible Agency: Planning & Building Department.

6.D Financial Assistance

Financial assistance for energy efficiency include:

- Energy audits, which may be provided by PG&E or private vendors.
- Rebates (sponsored by non-City entities) for the use of energy efficient appliances, and for the recycling of less efficient appliances.
- The federal Low-income Home Energy Assistance program (LIHEAP), which
 offers qualifying low-income households financial assistance to offset energy
 costs (through weatherization or assistance in paying energy bills).

- "REACH" (Relief for Energy Assistance through Community Help), which is a PG&E program administered by the Salvation Army that provides energy assistance to low-income customers in the form of onetime payments for energy costs.
- CARE (California Alternate Rates for Energy) and FERA (Family Electric Rate Assistance), both programs which provide rate discounts for lower income households
- A Medical Baseline Allowance for persons with high medically related electric bills.

Information on these programs should be kept at the Planning and Building counter for interested residents and should be accessible via links on the City's website.

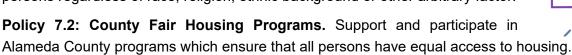
The City promotes REACH Codes and energy reduction programs as a part of the Climate Action Plan. Building Permits for residential solar energy systems are expedited with a flat fee. The City also participates in Energy Upgrade California and PACE programs.

- Objective: Promote the use of programs which reduce residential energy costs.
- Timeframe: Ongoing.
- Responsible Agency: Planning & Building Department, Building Official.

Goal 7: Equal Access to Housing

Policies

Policy 7.1: Housing Choice. Promote the development of housing for all persons regardless of race, religion, ethnic background or other arbitrary factor.



Policy 7.3: Fair Housing Enforcement. Implement and enforce relevant State of California and federal fair housing laws.

Policy 7.4: Fair Housing Education. Promote public education and awareness of fair housing requirements, and reduce public misconceptions about low-income housing.

Programs

7.A Public Information

This is an ongoing program that will be continued in the future. Pamphlets on fair housing laws and procedures are kept at the Planning and Building public counter. Materials should continue to be provided in English, Spanish and Chinese to ensure that those in need are made aware of their fair housing rights. Vietnamese and Tagalog language material will be made available on request. This information, including links to ECHO

housing's website, should also be posted on the City's website. In 2020, the City updated its website and created a fair housing programs webpage with information for residents. The City should consider participation in countywide online affordable housing resources, such as participation in the Alameda County Housing Portal website that helps publicize the availability of affordable housing units and the process for obtaining housing.

- Objective: Continue to provide and expand printed information on fair housing laws at City Hall and web-based information on the City's website.
- Timeframe: Ongoing
- Responsible Agency: Planning and Building Department.

7.B Fair Housing Referrals

The City presently refers discrimination complaints to the ECHO Housing, a Countywide non-profit agency. If mediation fails and enforcement is necessary, tenants may be referred to the State Department of Fair Employment and Housing or HUD, depending on the complaint.

- Objective: Continue the City's referral arrangement with ECHO Housing on fair housing issues and discrimination complaints.
- Timeframe: Ongoing
- Responsible Agency: Planning & Building Department, City Clerk.

7.C Housing Equity

The City will pursue grants to expand its publicity campaign to underserved and racially and ethnically diverse communities, including graphics and photographs and other representation to publicize the benefits of the City's affordable and fair housing programs to all Piedmont community members (Also see Program 1.C for ADU specific outreach).

- Objective: Increase awareness of the City's fair housing programs amongst underserved and racially and ethnically diverse members of the Piedmont community.
- Timeframe: End 2023: Identify target underserved and racially and ethnically diverse groups. End 2024: Distribute media for outreach.
- Responsible Agency: Planning & Building Department.

IV.B Quantified Objectives

Table IV-1 presents the City's quantified objectives for construction, preservation, and rehabilitation for the 2023 – 2031 planning period that will be achieved through the policies and programs described above.

Table IV-1: Quantified Objectives

Program Type/Affordability	Extremely Low ¹	Very Low Low		Moderate	Above Moderate	Total ²
New Construction	54	46	42	47	37	226
Rehabilitation	5	2	2	-	-	9
Conservation/Preservation	-	-	-	-	-	-
Total	59	48	44	47	37	235

Notes:

¹ The City estimates 50% of the Very Low households would qualify as extremely low-income.

² The quantified objectives are separate from the housing capacity identified in the City's site inventory, Appendix B.

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Appendix A: Demographics and Housing Needs Assessment

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Section A.1 Introduction and Summary

A.1.1 Introduction

This Appendix forms the foundation for understanding Piedmont's housing needs. It analyzes a range of demographic, economic, and housing-related variables to determine the extent and context of the City's housing-related need. Information gathered through this section provides a basis from which to build housing goals, policies, and programs to address those needs.



This needs assessment includes an analysis of the City's population, special needs groups, employment, housing stock, and housing affordability.



The main source of data used to form the majority of this section is HCD pre-certified local housing data provided by ABAG, which relies primarily on the American Community Survey (ACS) 2015-2019, California Department of Finance (DoF), and HUD's Comprehensive Housing Affordability Strategy ("CHAS") data.

A.1.2 Summary

Housing needs are determined by a city's population and its existing housing stock and provide context for developing housing policy, such as which types of housing and its affordability levels are most needed in the community. The following summarizes key data from this housing needs assessment.

• Piedmont has a higher income population than Alameda County (county). Piedmont's 2019 median household income was \$224,659, 126 percent higher than the county (\$99,406). However, nearly 6 percent of households in Piedmont are extremely low-

- income, and approximately 16.1 percent of Piedmont households are low-income households (earn less than 80 percent of Area Median Income (AMI))
- Home prices are higher in Piedmont than in the county. Households must earn \$251,200 (over 200 percent of AMI) to be able to afford to buy an average priced home in the city.
 A household must have an annual income of \$123,650 (120 percent of AMI) to be able to afford market rent in Piedmont.
- Approximately 21.29 percent of Piedmont homeowners and 21.08 percent of renters are
 cost burdened, meaning they spend 30 percent or more of gross income on housing costs,
 Additionally, 12.5 percent of renters spend 50 percent or more of their income on housing,
 compared to about 8.4 percent of homeowners. Piedmont has a lower proportion of costburdened households compared to the county (37 percent).
- Renter householders are more likely to be living in overcrowded conditions than owneroccupied households. However, in Piedmont there is no reported overcrowding by renters.
- Piedmont's population is 71 percent White, 18 percent Asian, 6 percent two or more races,
 4.15 percent Hispanic/Latino, and 1.4 percent African American. People of Color comprise a lower proportion of Piedmont's population compared to the Bay Area. Hispanic or Latino identified residents experience the highest rates of poverty in Piedmont.
- Piedmont's median age is 47.4, nearly ten years higher than the county (38 years). Seniors (65 years and above) make up approximately 21.5 percent of the population. Out of the total senior population, approximately 33 percent are cost burdened. Seniors are designated a special needs population under housing element law. Seniors can face higher levels of housing insecurity because they are more likely to be on a fixed income while requiring higher levels of care.
- Piedmont's other special housing needs populations include persons with a disability that may require accessible housing (7.1 percent of residents) and female-headed households who are often at greater risk of housing insecurity (5.6 percent of households).
- Piedmont has 371 large households (five or more people), which are generally served by three-bedroom or larger units. Piedmont's housing mix of three-bedroom or larger units (3,374 units) can sufficiently accommodate the number of larger families.
- A variety of housing types is important to meet the needs of all members of the community.
 Over 93 percent of Piedmont's housing stock is single-family (attached and detached).
 Single-family attached homes have experienced the most growth over the last decade.
- The rate of housing production is relatively slow, with only 55 units permitted in the past 10 years. The largest proportion of Piedmont's housing units was built in 1939 or earlier. This represents an aging housing stock.

Section A.2 Population Characteristics

A.2.1 Population

The Bay Area (Region) is the fifth-largest metropolitan area in the nation and has seen a steady increase in population since 1990, except for a dip during the Great Recession that began in 2007. Many cities in the Region have experienced significant growth in jobs, wages and population. While these trends have led to a corresponding increase in demand for housing across the Region, the regional production of housing has largely not kept pace with job and population growth. In 2020, the population of Piedmont was estimated to be 11,453 (see Table A-1). From 1990 to 2000, the population increased by 3.3 percent, while it decreased by 2.6 percent during the first decade of the 2000s. In the most recent decade (2010 to 2020), the population increased by 7.4 percent. The population of Piedmont makes up 0.7 percent of Alameda County.

Since 2000, Piedmont's population has increased by 4.6 percent, which is below the 14 percent increase experienced by the Region as a whole during the same period. In Piedmont, roughly 7.5 percent of its population moved during the past year, a number 5.9 percentage points smaller than the regional rate of 13.4 percent. This statistic shows the stability of the Piedmont community and the limited supply of homes that normally become available as homeowners move or downsize. (See Figure A-1).

Table A-1: Population Growth Trends

	1990	1995	2000	2005	2010	2015	2020
Geography							
Piedmont	10,602	11,129	10,952	11,088	10,667	11,291	11,453
Alameda County	1,276,702	1,344,157	1,443,939	1,498,963	1,510,271	1,613,528	1,670,834
Bay Area	6,020,147	6,381,961	6,784,348	7,073,912	7,150,739	7,595,694	7,790,537
Source: ABAG 2021 Pre-certified Housing Needs Data (California Department of Finance, E-5 series)							

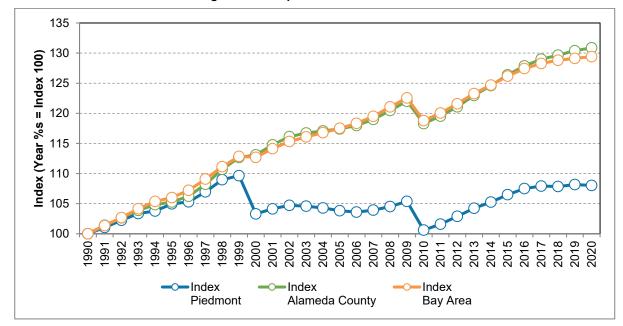


Figure A-1: Population Growth Trends

Note: The data shown on the graph represents population for the jurisdiction, county, and Region indexed to the population in the first year shown. The data points represent the relative population growth in each of these geographies relative to their populations in that year. For some jurisdictions, a break may appear at the end of each decade (1999, 2009) as estimates are compared to census counts. DOF uses the decennial census to benchmark subsequent population estimates.

Source: ABAG 2021 Pre-certified Housing Needs Data (California Department of Finance, E-5 series)

A.2.2 Age

The distribution of age groups in a city influences the types of housing the community may need in the near future. An increase in the older population may mean there is a developing need for more senior housing options, while higher numbers of children and young families can point to the need for more family housing options and related services. Trends indicate an increased desire to age-in-place or downsize in order to stay within their communities, which can mean more multifamily and accessible units are also needed.

In Piedmont, the median age in 2000 was 42.4; by 2019 this figure had increased to around 47 years. In 2019, the median age in Alameda County was around 38 years old. The population of seniors (65 years and above) living in Piedmont increased by 72.5 percent since 2010 and makes up an estimated 21.5 percent of the total population. Conversely, the population of those under 14 in Piedmont has decreased since 2010.

Looking at the senior and youth population by race can add an additional layer of understanding, as families and seniors of color are even more likely to experience challenges finding affordable housing. People of Color (all non-white racial groups) make up 19.0 percent of seniors and 30.8 percent of youth under 18 years of age (see Figure A-3).

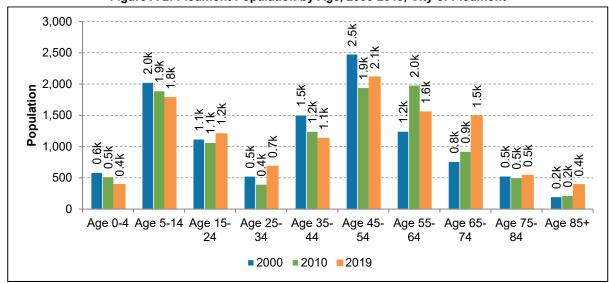


Figure A-2: Piedmont Population by Age, 2000-2019, City of Piedmont

Notes:

Universe: Total population

Source: ABAG 2021 Pre-certified Housing Needs Data ((U.S. Census Bureau, Census 2000 SF1, Table P12; U.S. Census Bureau, Census 2010 SF1, Table P12; U.S. Census Bureau, American Community Survey 5-Year Data (2015-2019), Table B01001)

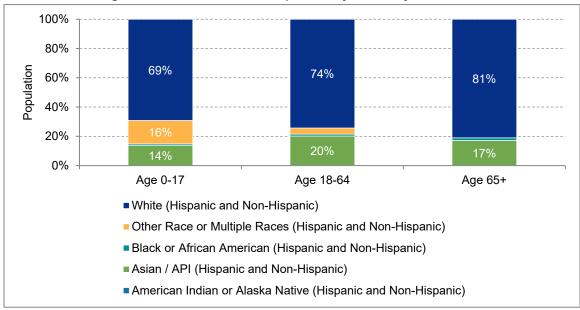


Figure A-3: Senior and Youth Population by Race, City of Piedmont

Notes:

Universe: Total population

In the sources for this table, the Census Bureau does not disaggregate racial groups by Hispanic/Latino ethnicity, and an overlapping category of Hispanic / non-Hispanic groups has not been shown to avoid double counting in the stacked bar chart.

Source: ABAG 2021 Pre-certified Housing Needs Data (U.S. Census Bureau, American Community Survey 5-Year Data (2015-2019), Table B01001(A-G))

A.2.3 Race/Ethnicity

Understanding the racial and ethnic makeup of a city and Region is important for designing and implementing effective housing policies and programs. These patterns are shaped by both market factors and government actions, such as exclusionary zoning, discriminatory lending practices and displacement that has occurred over time and continues to impact communities of color today.

Piedmont has a higher share of residents identifying as White, Non-Hispanic than the county and region, and a smaller share of residents identifying as American Indian or Alaska Native, Asian/Asian Pacific Islander, Non-Hispanic, Black or African American, and Hispanic or Latino than compared to the county and region. (See Figure A-4)

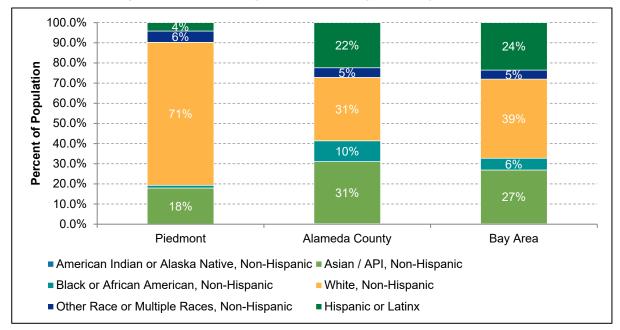


Figure A-4: Population by Race and Ethnicity, 2019, City of Piedmont

Notes:

Data for 2019 represents 2015-2019 ACS estimates.

The Census Bureau defines Hispanic/Latino ethnicity separate from racial categories. For the purposes of this graph, the "Hispanic or Latino" racial/ethnic group represents those who identify as having Hispanic/Latino ethnicity and may also be members of any racial group. All other racial categories on this graph represent those who identify with that racial category and do not identify with Hispanic/Latino ethnicity.

Source: ABAG 2021 Pre-certified Housing Needs Data (U.S. Census Bureau, Census 2000, Table P004; U.S. Census Bureau, American Community Survey 5-Year Data (2015-2019), Table B03002)

Since 2000, the percentage of residents in Piedmont identifying as White has decreased – and at the same time the percentage of residents of all other races and ethnicities has increased by 8.1 percentage points (see Figure A-5), with the total population of all other races and ethnicities at 3,292 in 2019. In absolute terms, the Other Race or Multiple Races, Non-Hispanic population increased the most while the Non-Hispanic White population decreased the most.

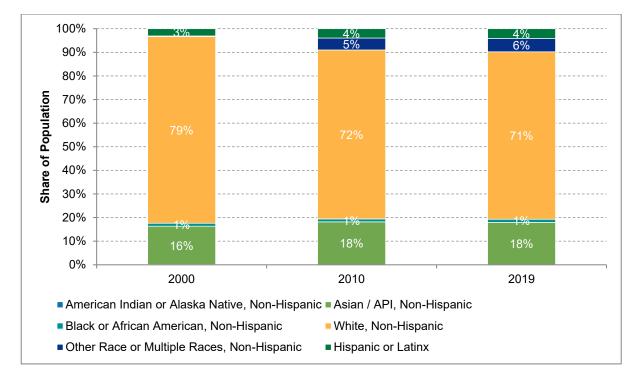


Figure A-5: Population by Race and Ethnicity, 2000-2019, City of Piedmont

Notes:

Data for 2019 represents 2015-2019 ACS estimates.

The Census Bureau defines Hispanic/Latino ethnicity separate from racial categories. For the purposes of this graph, the "Hispanic or Latino" racial/ethnic group represents those who identify as having Hispanic/Latino ethnicity and may also be members of any racial group. All other racial categories on this graph represent those who identify with that racial category and do not identify with Hispanic/Latino ethnicity.

The values above do not add up to 100% as they are rounded to the nearest one-tenth.

Source: ABAG 2021 Pre-certified Housing Needs Data (U.S. Census Bureau, Census 2000, Table P004; U.S. Census Bureau, American Community Survey 5-Year Data (2015-2019), Table B03002)

A.2.4 Employment

A city houses employed residents who either work in the community where they live or work elsewhere in the region. Conversely, a city may have job sites that employ residents from the same city, but more often employ workers commuting from outside of it. Smaller cities typically will have more employed residents than jobs there and export workers, while larger cities tend to have a surplus of jobs and import workers. To some extent the regional transportation system is set up for this flow of workers to the region's core job centers. At the same time, as the housing affordability crisis has illustrated, local imbalances may be severe, where local jobs and worker populations are out of sync at a sub-regional scale. This imbalance burdens employees who must travel greater distances between their home and place of employment, which also strains the transportation system and has grave environmental implications.

One measure of this is the relationship between workers and jobs. A city with a surplus of workers (meaning more workers than jobs available) "exports" workers to other parts of the region, while a city with a surplus of jobs (meaning more jobs than can be filled with local workers) must conversely "import" them. There are 5,350 employed residents, and 3,622 jobs¹ in Piedmont - the ratio of jobs to resident workers is 0.68; Piedmont is a net exporter of workers. Overall, 3.4 percent of people employed in Piedmont also live in the city (Longitudinal Employer-Household Dynamics On the Map).

Between 2002 and 2018, the number of jobs in Piedmont decreased by 2.6 percent. However, there was a notable rebound in jobs in Piedmont between 2015 and 2018 (see Figure A-6).

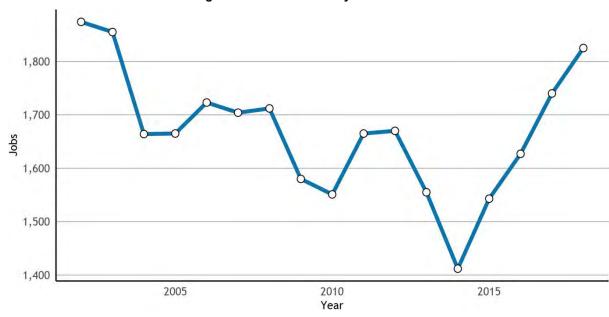


Figure A-6: Jobs in the City of Piedmont

Notes:

Universe: Jobs from unemployment insurance-covered employment (private, state and local government) plus United States Office of Personnel Management-sourced Federal employment

The data is tabulated by place of work, regardless of where a worker lives. The source data is provided at the census block level. These are crosswalked to jurisdictions and summarized.

Source: ABAG 2021 Pre-certified Housing Needs Data (U.S. Census Bureau, Longitudinal Employer-Household Dynamics, Workplace Area Characteristics (WAC) files, 2002-2018)

¹ Employed residents in a jurisdiction is counted by place of residence (they may work elsewhere) while jobs in a jurisdiction are counted by place of work (they may live elsewhere). The jobs may differ from those reported in Figure A-6 as the source for the time series is from administrative data, while the cross-sectional data is from a survey.

Figure A-7 shows the balance when comparing jobs to workers, broken down by different wage groups, offering additional insight into local dynamics. A community may offer employment opportunities for relatively low- income workers but have relatively few housing options for those workers. Conversely, it may house residents who are low wage workers but offer few employment opportunities for them. Such relationships may cast extra light on potentially unmet demand for housing in particular price categories. A relative surplus of jobs relative to residents in a given wage category suggests the need to import those workers, while conversely, surpluses of workers in a wage group relative to jobs means the community will export those workers to other jurisdictions. Such flows are not inherently bad, though over time, sub-regional imbalances may appear.

Piedmont has more low-wage jobs (1,253) than low- wage residents (811), where low-wage refers to jobs paying less than \$25,000. At the other end of the wage spectrum, the city has more high-wage residents than high-wage jobs (where high-wage refers to jobs paying more than \$75,000) (see Figure A-7)². The number of workers by wage category was supplied by ABAG and was sourced from the 2019 American Community Survey.

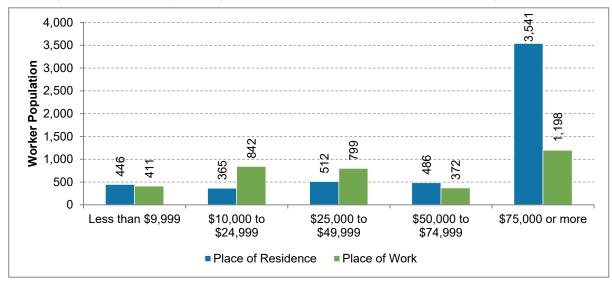


Figure A-7: Workers by Earnings, as Place of Work and Place of Residence, City of Piedmont

Notes:

Universe: workers 16 years and over with earnings

Source: ABAG 2021 Pre-certified Housing Needs Data (U.S. Census Bureau, American Community Survey 5-Year Data 2015-2019, B08119, B08519)

A-10 | City of Piedmont

² The source table is top-coded at \$75,000, precluding more fine grained analysis at the higher end of the wage spectrum.

Figure A-8 shows the balance of Piedmont's resident workers to the jobs located there for different wage groups as a ratio instead - a value of 1 means that a city has the same number of jobs in a wage group as it has resident workers - in principle, a balance. Values close to 0 indicate a jurisdiction will need to export workers for jobs in a given wage group. At the regional scale, this ratio is 1.04 jobs for each worker, implying a modest import of workers from outside the Region (see Figure A-8).

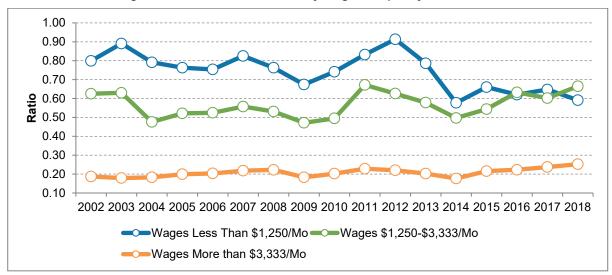


Figure A-8: Jobs-Worker Ratios, by Wage Group, City of Piedmont

Notes:

Universe: Jobs in a jurisdiction from unemployment insurance-covered employment (private, state and local government) plus United States Office of Personnel Management-sourced Federal employment

The ratio compares job counts by wage group from two tabulations of LEHD data: Counts by place of work relative to counts by place of residence. See text for details.

Source: ABAG 2021 Pre-certified Housing Needs Data (U.S. Census Bureau, Longitudinal Employer-Household Dynamics, Workplace Area Characteristics (WAC) files (Jobs); Residence Area Characteristics (RAC) files (Employed Residents), 2010-2018)

Such balances between jobs and workers may directly influence the housing demand in a community. When there is high demand for housing relative to supply at different income levels, workers will compete for a limited supply. As already shown, many Piedmont workers may be unable to afford to live where they work, particularly when housing growth has been in higher income markets. This dynamic not only means many workers will need to prepare for long commutes and time spent on the road, but in the aggregate, it contributes to traffic congestion and time lost for all road users.

If there are more jobs than employed residents, it means a city is relatively jobs-rich, typically also with a high jobs-to-household ratio (over 1.0). The jobs-household ratio in Piedmont has remained fairly constant over time, from 0.49 in 2002 to 0.47 jobs per household in 2018 (see Figure A-9). Piedmont's ratio is significantly lower than both Alameda County (1.43) and the Region (1.47), suggesting the city has a lower ratio of jobs to housing units relative to the rest of the Bay Area and that while the county and Region are job rich, Piedmont houses more workers than it has jobs to support.

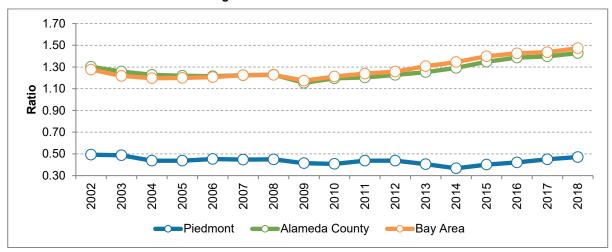


Figure A-9: Jobs-Household Ratio

Notes:

Universe: Jobs in a jurisdiction from unemployment insurance-covered employment (private, state and local government) plus United States Office of Personnel Management-sourced Federal employment; households in a jurisdiction

The data is tabulated by place of work, regardless of where a worker lives. The source data is provided at the census block level. These are crosswalked to jurisdictions and summarized. The ratio compares place of work wage and salary jobs with households, or occupied housing units. A similar measure is the ratio of jobs to housing units. However, this jobs-household ratio serves to compare the number of jobs in a jurisdiction to the number of housing units that are actually occupied.

Source: ABAG 2021 Pre-certified Housing Needs Data (U.S. Census Bureau, Longitudinal Employer-Household Dynamics, Workplace Area Characteristics (WAC) files (Jobs), 2002-2018; California Department of Finance, E-5 (Households))

In terms of sectoral composition, the largest industry in which Piedmont residents work is Financial & Professional Services, and the largest sector in which Alameda residents work is Health & Educational Services (see Figure A-10). For the Bay Area as a whole, the Health & Educational Services industry employs the most workers.

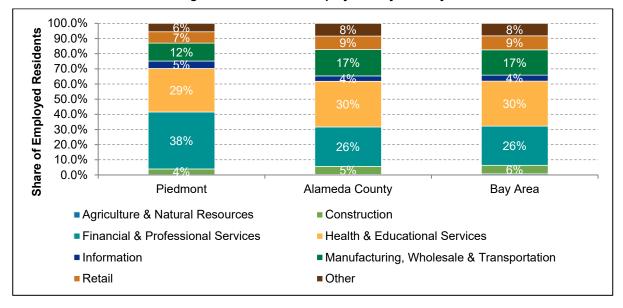


Figure A-10: Resident Employment by Industry

Notes:

Universe: Civilian employed population age 16 years and over

The data displayed shows the industries in which jurisdiction residents work, regardless of the location where those residents are employed (whether within the jurisdiction or not).

Source: ABAG 2021 Pre-certified Housing Needs Data (U.S. Census Bureau, American Community Survey 5-Year Data (2015-2019), Table C24030)

In Piedmont, there was a two percentage point decrease in the unemployment rate between January 2010 and January 2021. Jurisdictions throughout the Region experienced a sharp rise in unemployment in 2020 due to impacts related to the COVID-19 pandemic, with a general improvement and recovery in the later months of 2020.

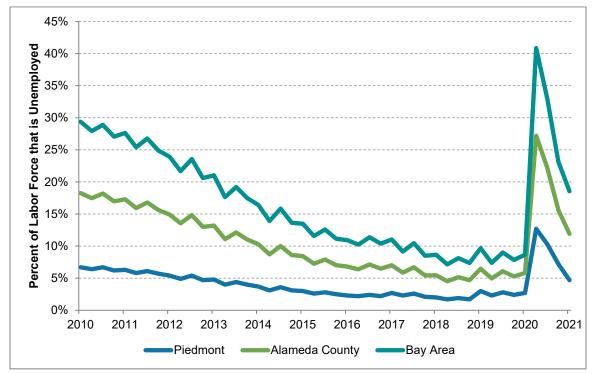


Figure A-11: Unemployment Rate

Notes:

Universe: Civilian employed population age 16 years and over

Unemployment rates for the jurisdiction level is derived from larger-geography estimates.

Source: ABAG 2021 Pre-certified Housing Needs Data (California Employment Development Department, Local Area Unemployment Statistics (LAUS), Sub-county areas monthly updates, 2010-2021)

Section A.3 Household Characteristics

A.3.1 Household Size

In Piedmont, the largest share of households (32 percent) consists of a household with two people, while the lowest share of households (10 percent) consists of five-or-more persons (renters and owners combined). Three-person households make up 17 percent of the occupied housing stock and four-person households make up 26 percent (see Table A-2). According to the California Department of Finance, Piedmont had an average household size of 2.89 in 2021. For additional information on household size, see Section A.3.2 (Overcrowding) and A.3.4 (Special Housing Needs).

Table A-2: Household Size, City of Piedmont

	Owner Occupied	% Owner Occupied	Renter Occupied	% Renter Occupied
1-person household	516	15.3%	111	23.9%
2-person household	1,110	32.9%	101	21.7%
3-person household	593	17.6%	57	12.3%
4-person household	802	23.8%	177	38.1%
5-or-more person household	352	10.4%	19	4.1%
Total occupied housing units	3,373	100.00%	465	100.00%

Source: ABAG 2021 Pre-certified Housing Needs Data (U.S. Census Bureau, American Community Survey 5-Year Data (2015-2019), Table B25009)

A.3.2 Overcrowding

Overcrowding occurs when the number of people living in a household is greater than the home was designed to hold. There are several different standards for defining overcrowding, but this report uses the Census Bureau definition, which is more than one occupant per room (not including bathrooms or kitchens). Additionally, the Census Bureau considers units with more than 1.5 occupants per room to be severely overcrowded.

Overcrowding is often related to the cost of housing and can occur when demand in a city or Region is high. In many cities, overcrowding is seen more amongst those that are renting, with multiple households sharing a unit to make it possible to stay in their communities. In Piedmont, 0.0 percent of households that rent are severely overcrowded (more than 1.5 occupants per room), compared to 0.1 percent of households that own (see Figure A-12). In Piedmont, 1.9 percent of renters experience moderate overcrowding (1 to 1.5 occupants per room), compared to 0.0 percent for those own.

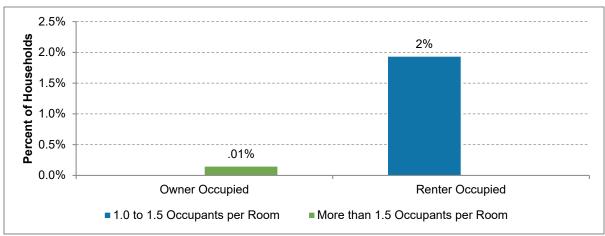


Figure A-12: Overcrowding by Tenure and Severity, City of Piedmont

Notes:

Universe: Occupied housing units

The Census Bureau defines an overcrowded unit as one occupied by 1.01 persons or more per room (excluding bathrooms and kitchens), and units with more than 1.5 persons per room are considered severely overcrowded.

Source: ABAG 2021 Pre-certified Housing Needs Data (U.S. Department of Housing and Urban Development (HUD), Comprehensive Housing Affordability Strategy (CHAS) ACS tabulation, 2013-2017 release)

Overall, Piedmont has a lower rate of overcrowding than the rest of the region. Only a small fraction of Piedmont residents face overcrowded conditions, compared to eight percent of Alameda County residents and seven percent of Bay Area residents.

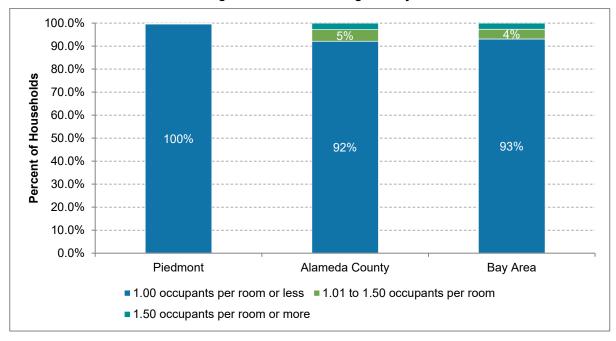


Figure A-13: Overcrowding Severity

Notes:

The Census Bureau defines an overcrowded unit as one occupied by 1.01 persons or more per room (excluding bathrooms and kitchens), and units with more than 1.5 persons per room are considered severely overcrowded.

Source: ABAG 2021 Pre-certified Housing Needs Data (U.S. Department of Housing and Urban Development (HUD), Comprehensive Housing Affordability Strategy (CHAS) ACS tabulation, 2013-2017 release)

Overcrowding often disproportionately impacts low-income households. 4.2 percent of very low-income households (below 50 percent AMI) experience severe overcrowding, while 0.5 percent of households earning above 100 percent of the AMI experience this level of overcrowding (see Figure A-14).

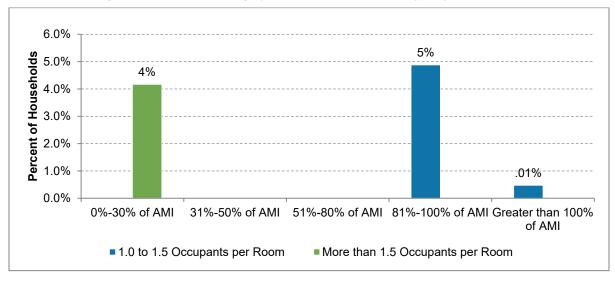


Figure A-14: Overcrowding by Income Level and Severity, City of Piedmont

Notes:

Universe: Occupied housing units

The Census Bureau defines an overcrowded unit as one occupied by 1.01 persons or more per room (excluding bathrooms and kitchens), and units with more than 1.5 persons per room are considered severely overcrowded. Income groups are based on HUD calculations for Area Median Income (AMI). The AMI levels in this chart are based on the HUD metro area where this jurisdiction is located.

Source: ABAG 2021 Pre-certified Housing Needs Data (U.S. Department of Housing and Urban Development (HUD), Comprehensive Housing Affordability Strategy (CHAS) ACS tabulation, 2013-2017 release)

Communities of color are more likely to experience overcrowding and are more likely to experience poverty, financial instability, and housing insecurity. People of Color tend to experience overcrowding at higher rates than White residents. In Piedmont, the racial group with the largest overcrowding rate is "Other Race or Multiple Races (Hispanic and Non-Hispanic)" (see Figure A-15).

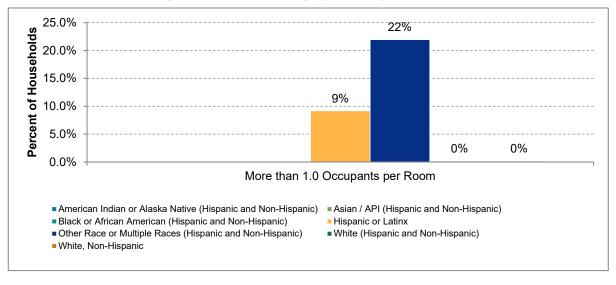


Figure A-15: Overcrowding by Race, City of Piedmont

Notes:

Universe: Occupied housing units

The Census Bureau defines an overcrowded unit as one occupied by 1.01 persons or more per room (excluding bathrooms and kitchens), and units with more than 1.5 persons per room are considered severely overcrowded. For this table, the Census Bureau does not disaggregate racial groups by Hispanic/Latino ethnicity. However, data for the white racial group is also reported for white householders who are not Hispanic/Latino. Since residents who identify as white and Hispanic/Latino may have very different experiences within the housing market and the economy from those who identify as white and non- Hispanic/Latino, data for multiple white sub-groups are reported here.

The racial/ethnic groups reported in this table are not all mutually exclusive. Therefore, the data should not be summed as the sum exceeds the total number of occupied housing units for this jurisdiction. However, all groups labelled "Hispanic and Non-Hispanic" are mutually exclusive, and the sum of the data for these groups is equivalent to the total number of occupied housing units.

Source: ABAG 2021 Pre-certified Housing Needs Data (U.S. Census Bureau, American Community Survey 5-Year Data (2015-2019), Table B25014)

A.3.3 Household Income

Household income is a critical component of housing affordability. Income impacts the decision to rent versus own, the size of unit, and the location of housing. Overall, household income in Piedmont is higher than that of Alameda County. Piedmont's median household income in 2019 was \$224,659, which is 126 percent higher than the county's median income of \$99,406. The mean income in Piedmont (\$311,922) is 138.6 percent higher than in Alameda County (\$130,710).

Table A-3: Household Income, City of Piedmont

	Piedmont	Alameda County			
Median Income	me \$224,659 \$99,406				
Mean Income \$311,922 \$130,710					
Source: ACS 5-year estimates (2019), S1901					

The RHNA includes specific income categories defined by their respective proportion of the county area median income (AMI). Table A-4 defines these income categories.

Table A-4: Income Categories as a Percentage of AMI, City of Piedmont

	% of AMI			
Extremely Low	0-30%			
Very Low	30-50%			
Low	50-80%			
Moderate	80-120%			
Above Moderate >120%				
Source: Department of Housing and Community Development, 2021				

Table A-5 shows the 2021 income limits for these income categories in Alameda County. The above moderate category includes all households earning above the upper limit of the moderate-income category.

Table A-5: Alameda County 2021 Annual Income Limits by Household Size

Number of Persons in Household:		1	2	3	4	5	6	7	8
	Extremely Low	28,800	32,900	37,000	41,100	44,400	47,700	51,000	54,300
Alameda	Very Low Income	47,950	54,800	61,650	68,500	74,000	79,500	84,950	90,450
County Area Median Income:	Low Income	76,750	87,700	98,650	109,600	118,400	127,150	135,950	144,700
\$125,600	Median Income	87,900	100,500	113,050	125,600	135,650	145,700	155,750	165,800
	Moderate Income	105,500	120,550	135,650	150,700	162,750	174,800	186,850	198,900
Source: Department of Housing and Community Development, 2021									

Despite the economic and job growth experienced throughout the Region since 1990, the income gap has continued to widen. California is one of the most economically unequal states in the nation, and the Bay Area has the highest income inequality between high- and low-income households in the State.

In Piedmont, 81.1 percent of households make more than 100 percent of AMI, compared to six percent making less than 30 percent of AMI, which is considered extremely low-income (see Figure A-16). Regionally, more than half of all households make more than 100 percent AMI, while 15 percent make less than 30 percent AMI. Of Piedmont's total households, 13.6 percent are lower income (earning 80 percent of AMI or less), while around 38.5 percent of households in the county and Bay Area are lower income. Many households with multiple wage earners – including food service workers, full-time students, teachers, farmworkers, and healthcare professionals – can fall into lower AMI categories due to relatively stagnant wages in many industries. Examples of occupations in Alameda County where the median wage is less than 80% AMI include, Elementary School Teachers, Middle School Teachers, Child, Family, and School Social Workers and other occupations typically employed by PUSD, the city's largest employer.

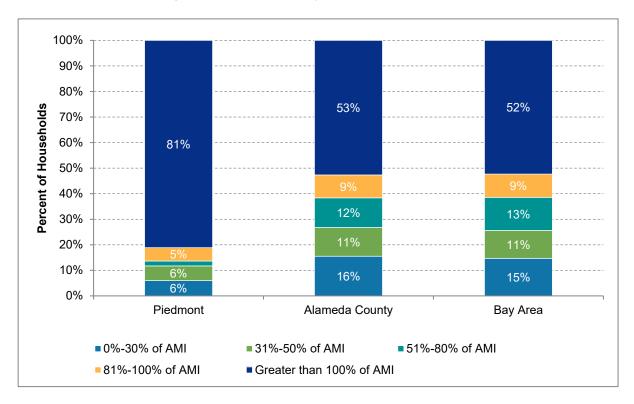


Figure A-16: Households by Household Income Level

Notes:

Universe: Occupied housing units

Income groups are based on HUD calculations for Area Median Income (AMI). HUD calculates the AMI for different metropolitan areas, and the nine county Bay Area includes the following metropolitan areas: Napa Metro Area (Napa County), Oakland-Fremont Metro Area (Alameda and Contra Costa Counties), San Francisco Metro Area (Marin, San Francisco, and San Mateo Counties), San Jose-Sunnyvale-Santa Clara Metro Area (Santa Clara County), Santa Rosa Metro Area (Sonoma County), and

Vallejo-Fairfield Metro Area (Solano County). The AMI levels in this chart are based on the HUD metro area where this jurisdiction is located. The data that is reported for the Bay Area is not based on a regional AMI but instead refers to the regional total of households in an income group relative to the AMI for the county where that household is located.

Source: ABAG 2021 Pre-certified Housing Needs Data (U.S. Department of Housing and Urban Development (HUD), Comprehensive Housing Affordability Strategy (CHAS) ACS tabulation, 2013-2017 release)

Throughout the region, there are disparities between the incomes of homeowners and renters. Typically, the number of low-income renters greatly outpaces the amount of housing available that is affordable for these households.

In Piedmont, the largest portion of both renters and owners falls in the "Greater than 100 percent of AMI" income group (see Figure A-17). There are no income groups in Piedmont with more renters than owners meaning Piedmont has a higher number of homeowners than renters.

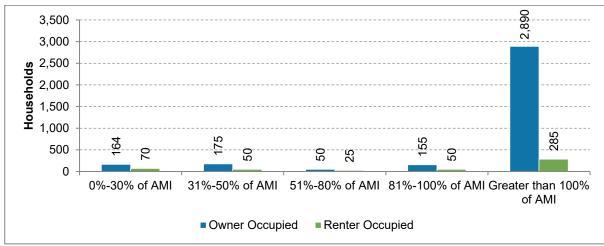


Figure A-17: Household Income Level by Tenure, City of Piedmont

Notes:

Universe: Occupied housing units

Income groups are based on HUD calculations for Area Median Income (AMI). HUD calculates the AMI for different metropolitan areas, and the nine county Bay Area includes the following metropolitan areas: Napa Metro Area (Napa County), Oakland-Fremont Metro Area (Alameda and Contra Costa Counties), San Francisco Metro Area (Marin, San Francisco, and San Mateo Counties), San Jose-Sunnyvale-Santa Clara Metro Area (Santa Clara County), Santa Rosa Metro Area (Sonoma County), and Vallejo-Fairfield Metro Area (Solano County)...

Source: ABAG 2021 Pre-certified Housing Needs Data (U.S. Department of Housing and Urban Development (HUD), Comprehensive Housing Affordability Strategy (CHAS) ACS tabulation, 2013-2017 release)

A.3.4 Special Housing Needs

Large Families

Large households (5 or more persons) often have different housing needs than smaller households. If a city's housing stock does not include units with enough bedrooms, large households could end up living in overcrowded conditions and/or overpaying for housing. Of all households in Piedmont, 9.6 percent or 371 households, are considered large households.

As noted in Table A-2, above, a majority (94.9 percent) of large households in Piedmont live in owner occupied housing. About 10 percent of households in Piedmont are large, 5 or more person households, which is similar to the household composition of the county and the Region (11 percent large households). In 2017, no large households in Piedmont were classified as very low-income, earning less than 50 percent of the area median income (AMI (see Figure A-19). Furthermore, only 0.1 percent of owner-occupied households are overcrowded (see Section A.3.2 – Overcrowding), indicating overpayment and overcrowding are not an issue for large households in Piedmont.

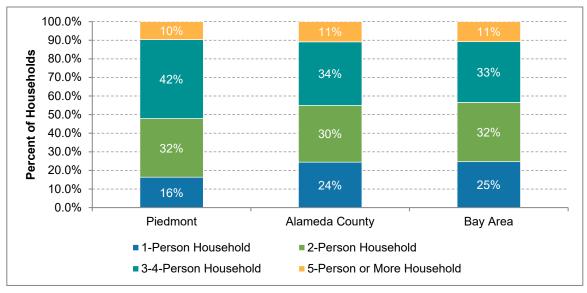


Figure A-18: Household Size by Tenure

Notes:

Universe: Occupied housing units

Source: ABAG 2021 Pre-certified Housing Needs Data (U.S. Census Bureau, American Community Survey 5-Year Data (2015-2019), Table B25009)

In 2017, no large households in Piedmont were classified as very low-income, earning less than 50 percent of the area median income (AMI (see Figure A-19). Furthermore, only 0.1 percent of owner-occupied households are overcrowded (see Section A.3.2 – Overcrowding), indicating overpayment and overcrowding are not an issue for large households in Piedmont.

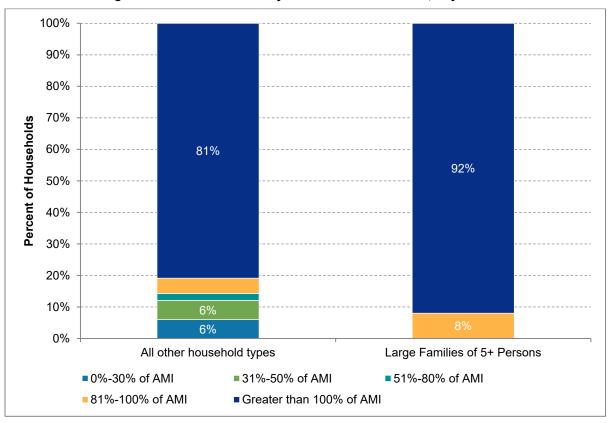


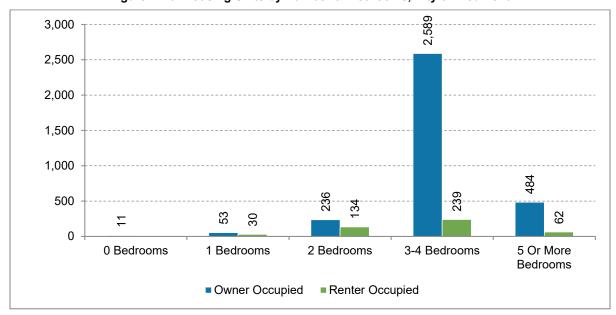
Figure A-19: Household Size by Household Income Level, City of Piedmont

The unit sizes available in a community affect the households that can access that community. Large families are generally served by housing units with 3 or more bedrooms, of which there are 3,374 units, or 88 percent of all units in Piedmont (see Table A-6). Among these large units with 3 or more bedrooms, 8.9 percent are renter-occupied, and 91.1 percent are owner-occupied (see Figure A-20). Compared to the number of large households, the housing mix of Piedmont is considered adequate to accommodate larger household sizes. However, the limited supply of rental housing for large families is a constraint.

Table A-6: Housing Units by Number of Bedrooms, City of Piedmont

Number of Bedrooms	Owner Occupied	Renter Occupied				
0 Bedrooms	11	0				
1 Bedrooms	53	30				
2 Bedrooms	236	134				
3-4 Bedrooms	2,589	239				
5 Or More Bedrooms	484	62				
Totals 3,373 465						
Source: Department of Housing and Community Development, 2021						

Figure A-20: Housing Units by Number of Bedrooms, City of Piedmont



Notes:

Universe: Housing units

Source: ABAG 2021 Pre-certified Housing Needs Data (U.S. Census Bureau, American Community Survey 5-Year Data (2015-2019), Table B25042)

Senior Households

Senior households often experience a combination of factors that can make accessing or keeping housing affordable a challenge. They frequently live on fixed incomes and are more likely to have disabilities, chronic health conditions, and/or reduced mobility.

Seniors who rent may be at even greater risk for housing challenges than those who own, due to housing cost differences between these groups. In Piedmont, 34 percent of senior renters are extremely low-income (earning 0-30 percent of the AMI), compared to only 5 percent of senior owners. A majority of seniors, both renters and owners, earn more than 100 percent of the AMI (see Figure A-21). However, extremely low- and very low-income seniors (both renters and owners) are more likely to be cost burdened compared to higher earning seniors, with 90 percent of seniors in these income categories overpaying for housing. See Table A-7.

Table A-7: Cost-Burdened Senior Households by Income Level, City of Piedmont

Income Level	0%-30% of Income Used for Housing	30%-50% of Income Used for Housing	50%+ of Income Used for Housing		
0%-30% of AMI	10	0	100		
31%-50% of AMI	10	35	60		
51%-80% of AMI	25	40	0		
81%-100% of AMI	45	55	25		
Greater than 100% of AMI	855	145	4		
Totals	945	275	189		
Source: ABAG 2021 Pre-certified Housing Needs Data					

100% 15% 90% Percent of Households 32% 80% 70% 60% 50% 100% 100% 94% 85% 40% 68% 30% 20% 10% 0% 0%-30% of AMI 31%-50% of AMI 51%-80% of AMI 81%-100% of AMI Greater than 100% of AMI Owner Occupied ■ Renter Occupied

Figure A-21: Senior Households by Income and Tenure, City of Piedmont

Notes:

Universe: Senior households

For the purposes of this graph, senior households are those with a householder who is aged 62 or older. Income groups are based on HUD calculations for Area Median Income (AMI). HUD calculates the AMI for different metropolitan areas, and the nine county Bay Area includes the following metropolitan areas: Napa Metro Area (Napa County), Oakland-Fremont Metro Area (Alameda and Contra Costa Counties), San Francisco Metro Area (Marin, San Francisco, and San Mateo Counties), San Jose- Sunnyvale-Santa Clara Metro Area (Santa Clara County), Santa Rosa Metro Area (Sonoma County), and Vallejo-Fairfield Metro Area (Solano County).

Source: ABAG 2021 Pre-certified Housing Needs Data (U.S. Department of Housing and Urban Development (HUD), Comprehensive Housing Affordability Strategy (CHAS) ACS tabulation, 2013-2017 release)

Female-headed Households

Households headed by one person are often at greater risk of housing insecurity, particularly female-headed households, who may be supporting children or a family with only one income. In Piedmont, the largest proportion of households is "Married-couple Family Households" at 73.7 percent of total, followed by "Single person (no children) Households" at 16 percent, while Female-Headed Family Households make up only 5.8 percent of all households.

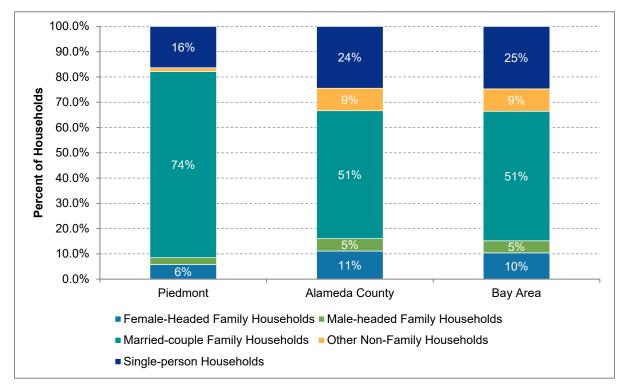


Figure A-22: Household Type

Notes:

For data from the Census Bureau, a "family household" is a household where two or more people are related by birth, marriage, or adoption. "Non-family households" are households of one person living alone, as well as households where none of the people are related to each other.

Source: ABAG 2021 Pre-certified Housing Needs Data (U.S. Census Bureau, American Community Survey 5-Year Data (2015-2019), Table B11001)

Female-headed households with children may face particular housing challenges, with pervasive gender inequality resulting in lower wages for women. Moreover, the added cost and need for childcare can make finding a home that is affordable more challenging.

Of the 212 female-headed households in Piedmont, 92 have children and 9.8 percent of these families fall below the federal poverty line. No female-headed households without children live in poverty.

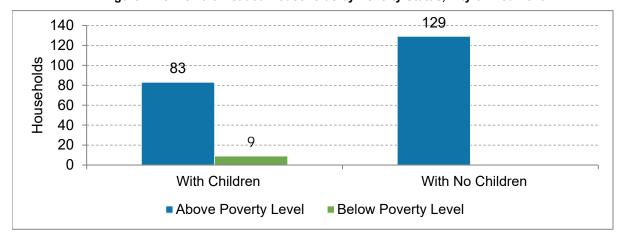


Figure A-23: Female-Headed Households by Poverty Status, City of Piedmont

Notes:

The Census Bureau uses a federally defined poverty threshold that remains constant throughout the country and does not correspond to Area Median Income.

Source: ABAG 2021 Pre-certified Housing Needs Data (U.S. Census Bureau, American Community Survey 5-Year Data (2015-2019), Table B17012)

Persons with Disabilities

Persons with disabilities face additional housing challenges. Encompassing a broad group of individuals living with a variety of physical, cognitive and sensory impairments, many people with disabilities live on fixed incomes and are in need of specialized care, yet often rely on family members for assistance due to the high cost of care.

When it comes to housing, people with disabilities are not only in need of affordable housing but accessibly designed housing, which offers greater mobility and opportunity for independence.

Unfortunately, the need typically outweighs what is available, particularly in a housing market with such high demand. People with disabilities are at a high risk for housing insecurity, homelessness and institutionalization, particularly when they lose caregivers (such as parents or family members) due to aging. Figure A-24 shows the rates at which different disabilities are present among residents of Piedmont. Overall, 808 persons, or 7.1 percent of people in Piedmont, have a disability of any kind.

State law also requires Housing Elements to examine the housing needs of people with developmental disabilities. Developmental disabilities are defined as severe, chronic, and attributed to a mental or physical impairment that begins before a person turns 18 years old. This can include Down's Syndrome, autism, epilepsy, cerebral palsy, and mild to severe mental retardation. Some people with developmental disabilities are unable to work, rely on Supplemental Security Income, and live with family members. In addition to their specific housing needs, they are at increased risk of housing insecurity after an aging parent or family member is no longer able to care for them.

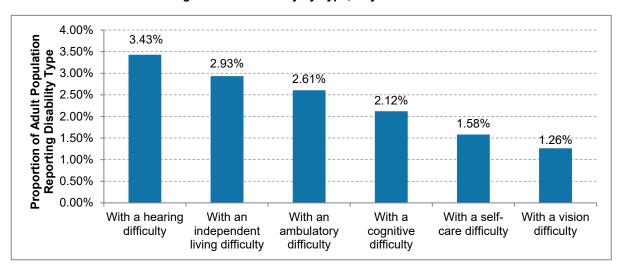


Figure A-24: Disability by Type, City of Piedmont

Notes:

Universe: Civilian noninstitutionalized population 18 years and over

These disabilities are counted separately and are not mutually exclusive, as an individual may report more than one disability. These counts should not be summed. The Census Bureau provides the following definitions for these disability types: Hearing difficulty: deaf or has serious difficulty hearing. Vision difficulty: blind or has serious difficulty seeing even with glasses. Cognitive difficulty: has serious difficulty concentrating, remembering, or making decisions. Ambulatory difficulty: has serious difficulty walking or climbing stairs. Self-care difficulty: has difficulty dressing or bathing. Independent living difficulty: has difficulty doing errands alone such as visiting a doctor's office or shopping.

Source: ABAG 2021 Pre-certified Housing Needs Data (U.S. Census Bureau, American Community Survey 5-Year Data (2015-2019), Table B18102, Table B18103, Table B18104, Table B18105, Table B18106, Table B18107)

In Piedmont, of the 43 people with a developmental disability, children under the age of 18 make up 51.2 percent, while adults account for 48.8 percent (See Table A-8). The most common living arrangement for individuals with developmental disabilities in Piedmont is the home of parent, family member, or guardian. (See Table A-9)

Table A-8: Population with Developmental Disabilities by Age, City of Piedmont

Age Group	Number of People with a Developmental Disability			
Age Under 18	22			
Age 18+	21			

Notes:

Universe: Population with developmental disabilities

The California Department of Developmental Services is responsible for overseeing the coordination and delivery of services to more than 330,000 Californians with developmental disabilities including cerebral palsy, intellectual disability, Down syndrome, autism, epilepsy, and related conditions. The California Department of Developmental Services provides ZIP code level counts. To get jurisdiction-level estimates, ZIP code counts were crosswalked to jurisdictions using census block population counts from Census 2010 SF1 to determine the share of a ZIP code to assign to a given jurisdiction.

Source: ABAG 2021 Pre-certified Housing Needs Data (California Department of Developmental Services, Consumer Count by California ZIP Code and Age Group (2020))

Table A-9: Population with Developmental Disabilities by Residence, City of Piedmont

Residence Type	Number of People with a Developmental Disability
Home of Parent/Family/Guardian	34
Independent/Supported Living	4
Community Care Facility	3
Other	2
Foster/Family Home	1
Intermediate Care Facility	0

Notes:

The California Department of Developmental Services is responsible for overseeing the coordination and delivery of services to more than 330,000 Californians with developmental disabilities including cerebral palsy, intellectual disability, Down syndrome, autism, epilepsy, and related conditions. The California Department of Developmental Services provides ZIP code level counts. To get jurisdiction-level estimates, ZIP code counts were crosswalked to jurisdictions using census block population counts from Census 2010 SF1 to determine the share of a ZIP code to assign to a given jurisdiction.

Source: ABAG 2021 Pre-certified Housing Needs Data (California Department of Developmental Services, Consumer Count by California ZIP Code and Residence Type (2020))

Residents Living Below the Poverty Level

The federal poverty level is an estimate of the minimum annual income a household would need to pay for essentials, such as food, housing, clothes, and transportation. This level considers the number of people in a household, their income, and the State in which they live. In Piedmont, 2.4 percent of the total population (275 people) experience poverty, a significant number and less than half the rate of poverty compared to Alameda County residents (9.9 percent).

Table A-10: Poverty Status

	Piedmont	Alameda County		
% of Population Below Poverty Level	2.4%	9.9%		
Source: ACS 5-year estimates (2019), S17				

As mentioned above, female-headed households with children experience poverty at a disproportionate rate than those without children or the overall population, with 9.8 percent of female-headed households with children living below the federal poverty level in Piedmont.

Currently, People of Color are more likely to experience poverty and financial instability as a result of federal and local housing policies that have historically excluded them from the same opportunities extended to white residents. These economic disparities also leave communities of color at higher risk for housing insecurity, displacement or homelessness. In Piedmont, Hispanic or Latino residents experience the highest rates of poverty followed by Asian/Asian Pacific Islander (Hispanic and Non-Hispanic) (see Figure A-25).

8.0% Percent of Households in Racial / Ethnic 7.0% 7.0% 6.0% 5.0% 4.1% 4.0% 3.0% 2.2% 1.9% 2.0% 1.3% 1.0% 0.0% Hispanic or Asian / API White (Hispanic White Non-Other Race or Black or African American Indian Latinx (Hispanic and and Non-Hispanic Multiple Races American or Alaska Native Non-Hispanic) Hispanic) (Hispanic and (Hispanic and (Hispanic and Non-Hispanic) Non-Hispanic) Non-Hispanic)

Figure A-25: Poverty Status by Race, City of Piedmont

Notes:

Universe: Population for whom poverty status is determined

The Census Bureau uses a federally defined poverty threshold that remains constant throughout the country and does not correspond to Area Median Income. For this table, the Census Bureau does not disaggregate racial groups by Hispanic/Latino ethnicity. However, data for the white racial group is also reported for white householders who are not Hispanic/Latino. Since residents who identify as white and Hispanic/Latino may have very different experiences within the housing market and the economy from those who identify as white and non-Hispanic/Latino, data for multiple white sub-groups are reported here. The racial/ethnic groups reported in this table are not all mutually exclusive. Therefore, the data should not be summed as the sum exceeds the population for whom poverty status is determined for this jurisdiction. However, all groups labelled "Hispanic and Non-Hispanic" are mutually exclusive, and the sum of the data for these groups is equivalent to the population for whom poverty status is determined.

Source: ABAG 2021 Pre-certified Housing Needs Data (U.S. Census Bureau, American Community Survey 5-Year Data (2015-2019), Table B17001(A-I))

Farmworkers

Across the State, housing for farmworkers has been recognized as an important and unique concern. Agriculture remains an important economic engine as well as a sector that employed many low wage workers. Farmworkers generally receive wages that are considerably lower than other jobs and may have temporary and changing housing needs. Finding decent and affordable housing can be challenging, particularly in the current housing market. Over the past two decades, there has been a shift to a more permanent workforce for many farms, which has shifted the bulk of the housing need from seasonal housing for migrant workers to permanently affordable housing for low wage working families. Because of the nature of housing is no longer solely a rural issue. Farmworker populations have declined while at the same time trends for farmworkers have resulted in longer commutes (75 miles on average per the USDA) for this population.

As a result, there is not an explicit need for housing for farmworkers and their families. Other housing types promoted in the Housing Element, such as housing for low-income households and multi-family housing, can also serve farmworkers.

In Piedmont, there were no reported students of migrant workers in the 2019-20 school year. The trend for the Region for the past few years has been an overall decline of 2.4 percent in the number of migrant worker students since the 2016-17 school year. The change at the county level is a 9.6 percent decrease in the number of migrant worker students since the 2016-17 school year. (See Table A-11)

According to the U.S. Department of Agriculture Census of Farmworkers, the number of permanent farm workers in Alameda County has decreased since 2002, totaling 305 in 2017. The number of seasonal farm workers has also decreased, totaling 288 in 2017 (see Figure A-26).

Table A-11: Migrant Worker Student Population

Academic Year	Piedmont	Alameda County	Bay Area
2016-17	0	874	4,630
2017-18	0	1,037	4,607
2018-19	0	785	4,075
2019-20	0	790	3,976

Notes:

Universe: Total number of unduplicated primary and short-term enrollments within the academic year (July 1 to June 30), public schools

The data used for this table was obtained at the school site level, matched to a file containing school locations, geocoded and assigned to jurisdiction, and finally summarized by geography.

Source: ABAG 2021 Pre-certified Housing Needs Data (California Department of Education, California Longitudinal Pupil Achievement Data System (CALPADS), Cumulative Enrollment Data (Academic Years 2016-2017, 2017-2018, 2018-2019, 2019-2020))

800 700 577 600 Workers 465 500 449 369 355 400 305 Farm 1 288 300 200 100 0 Permanent Seasonal **2002 2007 2012 2017**

Figure A-26: Farm Operations and Farm Labor by County, Alameda County

Notes:

Universe: Hired farm workers (including direct hires and agricultural service workers who are often hired through labor contractors)

Farm workers are considered seasonal if they work on a farm less than 150 days in a year, while farm workers who work on a farm more than 150 days are considered to be permanent workers for that farm.

Source: ABAG 2021 Pre-certified Housing Needs Data (U.S. Department of Agriculture, Census of Farmworkers (2002, 2007, 2012, 2017), Table 7: Hired Farm Labor)

People Experiencing Homelessness

Homelessness remains an urgent challenge in many communities across California, reflecting a range of social, economic, and psychological factors. Rising housing costs result in increased risks of community members experiencing homelessness. Far too many residents who have found themselves housing insecure have ended up unhoused or homeless in recent years, either temporarily or longer term. Addressing the specific housing needs for the unhoused population remains a priority throughout the Region, particularly since homelessness is disproportionately experienced by People of Color, people with disabilities, those struggling with addiction, and those dealing with traumatic life circumstances. Of the 8,022 reported homeless persons in Alameda County, the majority of persons experiencing homelessness are households without children in their care, and an overwhelming majority of those (6,276, or 84 percent) are unsheltered. Of homeless households with children, 497 are sheltered in emergency shelter or transitional housing (see Table A-12).

Table A-12: Homelessness by Household Type and Shelter Status, Alameda County

Variable	People in Households Composed Solely of Children Under 18	People in Households with Adults and Children	People in Households without Children Under 18
Sheltered – Emergency Shelter	16	322	825
Sheltered – Transitional Housing	4	175	368
Unsheltered	9	27	6,276
Totals	29	524	7,469

Source: U.S. Department of Housing and Urban Development (HUD), Continuum of Care (CoC) Homeless Populations and Subpopulations Reports (2019)

Notes:

This data is based on Point-in-Time (PIT) information provided to HUD by CoCs in the application for CoC Homeless Assistance Programs. The PIT Count provides a count of sheltered and unsheltered homeless persons on a single night during the last ten days in January.

Each Bay Area county is its own CoC, and so the data for this table is provided at the county-level.

Per HCD's requirements, jurisdictions will need to supplement this county-level data with local estimates of people experiencing homelessness.

Source:

U.S. Department of Housing and Urban Development (HUD), Continuum of Care (CoC) Homeless Populations and Subpopulations Reports (2019)

As noted above, People of Color are more likely to experience poverty and financial instability as a result of federal and local housing policies that have historically excluded them from the same opportunities extended to white residents. Consequently, People of Color are often disproportionately impacted by homelessness, particularly Black residents of the Bay Area.

In Alameda County, Black or African-American (Hispanic and Non-Hispanic) residents represent the largest proportion of residents experiencing homelessness and account for 47.3 percent of the homeless population, while only making up 10.6 percent of the overall population (see Figure A-27).

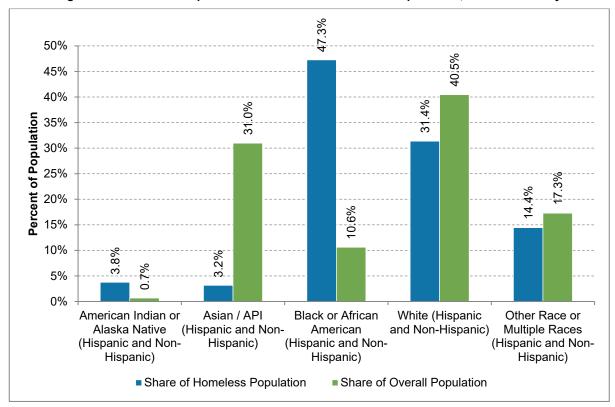


Figure A-27: Racial Group Share of General and Homeless Populations, Alameda County

Notes:

Universe: Population experiencing homelessness

This data is based on Point-in-Time (PIT) information provided to HUD by CoCs in the application for CoC Homeless Assistance Programs. The PIT Count provides a count of sheltered and unsheltered homeless persons on a single night during the last ten days in January. Each Bay Area county is its own CoC, and so the data for this table is provided at the county-level. Per HCD's requirements, jurisdictions will need to supplement this county-level data with local estimates of people experiencing homelessness. HUD does not disaggregate racial demographic data by Hispanic/Latino ethnicity for people experiencing homelessness in a separate table. Accordingly, the racial group data listed here includes both Hispanic/Latino and non-Hispanic/Latino individuals.

Source: ABAG 2021 Pre-certified Housing Needs Data (U.S. Department of Housing and Urban Development (HUD), Continuum of Care (CoC) Homeless Populations and Subpopulations Reports (2019); U.S. Census Bureau, American Community Survey 5-Year Data (2015-2019), Table B01001(A-I))

In Alameda County, Latino residents represent 17.3 percent of the population experiencing homelessness, while Latino residents comprise 22.5 percent of the general population (see Figure A-28).

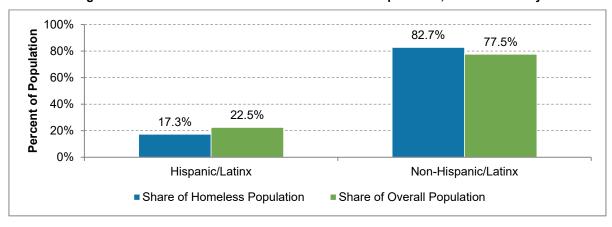


Figure A-28: Latino Share of General and Homeless Populations, Alameda County

Notes:

Universe: Population experiencing homelessness

This data is based on Point-in-Time (PIT) information provided to HUD by CoCs in the application for CoC Homeless Assistance Programs. The PIT Count provides a count of sheltered and unsheltered homeless persons on a single night during the last ten days in January. Each Bay Area county is its own CoC, and so the data for this table is provided at the county-level. Per HCD's requirements, jurisdictions will need to supplement this county-level data with local estimates of people experiencing homelessness. The data from HUD on Hispanic/Latino ethnicity for individuals experiencing homelessness does not specify racial group identity. Accordingly, individuals in either ethnic group identity category (Hispanic/Latino or non-Hispanic/Latino) could be of any racial background.

Source: ABAG 2021 Pre-certified Housing Needs Data (U.S. Department of Housing and Urban Development (HUD), Continuum of Care (CoC) Homeless Populations and Subpopulations Reports (2019); U.S. Census Bureau, American Community Survey 5-Year Data (2015-2019), Table B01001(A-I))

Many of those experiencing homelessness are dealing with severe health and safety issues – including mental illness, substance abuse, and domestic violence – that are potentially life threatening and require additional assistance. In Alameda County, homeless individuals are commonly challenged by severe mental illness, with 2,590 reporting this condition. Of those, 78.3 percent are unsheltered, further adding to the challenge of supporting these individuals as it may be difficult to provide regular care or access to vital services.

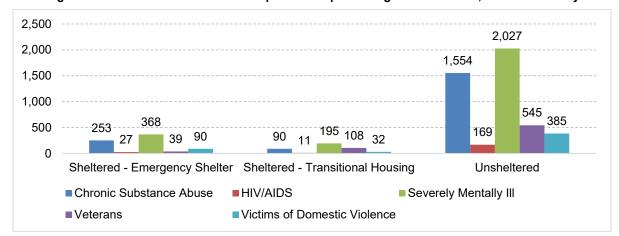


Figure A-29: Characteristics for the Population Experiencing Homelessness, Alameda County

Notes:

Universe: Population experiencing homelessness

This data is based on Point-in-Time (PIT) information provided to HUD by CoCs in the application for CoC Homeless Assistance Programs. The PIT Count provides a count of sheltered and unsheltered homeless persons on a single night during the last ten days in January. Each Bay Area County is its own CoC, and so the data for this table is provided at the county-level. Per HCD's requirements, jurisdictions will need to supplement this county-level data with local estimates of people experiencing homelessness. These challenges/characteristics are counted separately and are not mutually exclusive, as an individual may report more than one challenge/characteristic. These counts should not be summed.

Source: ABAG 2021 Pre-certified Housing Needs Data (U.S. Department of Housing and Urban Development (HUD), Continuum of Care (CoC) Homeless Populations and Subpopulations Reports (2019))

In Piedmont, there were no reported students experiencing homeless in the 2019-20 school year. By comparison, Alameda County has seen a 18.7 percent decrease in the population of students experiencing homelessness since the 2016-17 school year, and the Bay Area population of students experiencing homelessness decreased by 8.5 percent. During the 2019-2020 school year, there were still 13,718 students experiencing homelessness throughout the Region, adding undue burdens on learning and thriving, with the potential for longer term negative effects.

Table A-13: Students in Local Public Schools Experiencing Homelessness

Academic Year	Piedmont	Alameda County	Bay Area
2016-17	0	3,531	14,990
2017-18	0	3,309	15,142
2018-19	0	3,182	15,427
2019-20	0	2,870	13,718

Notes:

Universe: Total number of unduplicated primary and short-term enrollments within the academic year (July 1 to June 30), public

The California Department of Education considers students to be homeless if they are unsheltered, living in temporary shelters for people experiencing homelessness, living in hotels/motels, or temporarily doubled up and sharing the housing of other persons due to the loss of housing or economic hardship. The data used for this table was obtained at the school site level, matched to a file containing school locations, geocoded and assigned to jurisdiction, and finally summarized by geography.

Source: ABAG 2021 Pre-certified Housing Needs Data (California Department of Education, California Longitudinal Pupil Achievement Data System (CALPADS), Cumulative Enrollment Data (Academic Years 2016-2017, 2017-2018, 2018-2019, 2019-2020))

Emergency Shelters/Transitional Housing

At this time, there are currently no emergency shelters or shelters for domestic violence victims located in Piedmont. The Constraints analysis (Appendix C) describes how the City regulates emergency shelters and transitional and supportive housing.

Resources for People Experiencing Homelessness

The Alameda County Continuum of Care (CoC), whose lead agency is EveryOne Home, is a network of private and public sector homeless service providers, designed to promote community-wide planning and the strategic use of resources to address homelessness. EveryOne Home manages the county's coordinated entry service to ensure equitable access to services for persons experiencing homelessness. The CoC seeks to improve access to and effect utilization of mainstream programs by people who are experiencing or are at-risk of becoming homeless. These services include emergency shelters, transitional and permanent housing, homeless prevention rental assistance, and general wraparound supportive services. Additionally, the CoC seeks to improve and expand the collection of data across the county, develops performance measurements, and allows for each community to tailor its program to the particular strengths and challenges within that community.

Non-English Speakers

California adopted a bilingual state constitution in 1849³ and has long been an immigration gateway to the United States, which means that many languages are spoken throughout the Bay Area. Since learning a new language is universally challenging, it is not uncommon for residents who have immigrated to the United States to have limited English proficiency. This limit can lead to additional disparities if there is a disruption in housing, such as an eviction, because residents might not be aware of their rights or they might be wary to engage due to immigration status concerns.

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³ The provision for bilingual publication of laws, decrees and regulations was removed in the subsequent California Constitution of 1878

In Piedmont, 0.8 percent of residents 5 years and older identify as speaking English not well or not at all, which is below the proportion for Alameda County. Throughout the Region the proportion of residents 5 years and older with limited English proficiency is 8 percent.

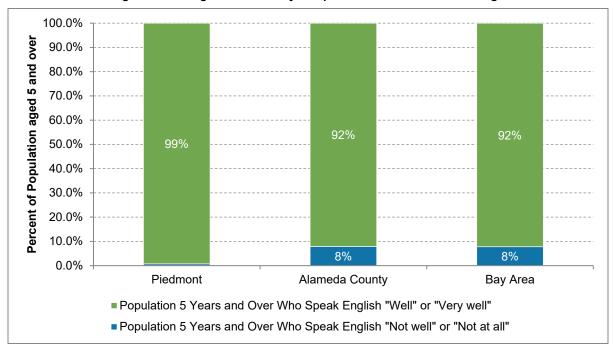


Figure A-30: English Proficiency—Population Over Five Years of Age

Notes:

Universe: Population 5 years and over

Source: ABAG 2021 Pre-certified Housing Needs Data (U.S. Census Bureau, American Community Survey 5-Year Data (2015-2019), Table B16005)

A.3.5 Displacement

Because of increasing housing prices, displacement is a major concern in the Bay Area. Displacement, also called "gentrification", has the most severe impacts on low- and moderate-income residents. When individuals or families are forced to leave their homes and communities, they also lose their support network.

The University of California, Berkeley has mapped all neighborhoods in the Bay Area, identifying their risk for displacement. They find that in Piedmont, no households live in neighborhoods that are susceptible to or experiencing displacement and none live in neighborhoods at risk of or undergoing gentrification.

Equally important, some neighborhoods in the Bay Area do not have housing appropriate for a broad section of the workforce. UC Berkeley estimates that 100.0 percent of households in Piedmont live in neighborhoods where low-income households are likely to be excluded due to prohibitive housing costs.

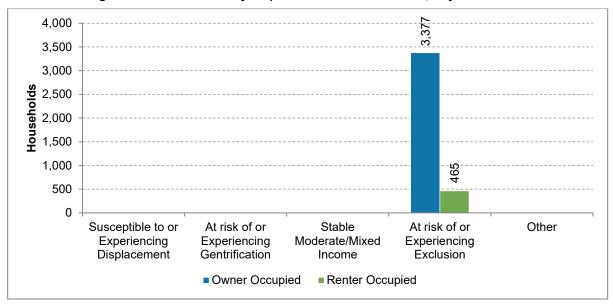


Figure A-31: Households by Displacement Risk and Tenure, City of Piedmont

Notes:

Universe: Households

Displacement data is available at the census tract level. Staff aggregated tracts up to jurisdiction level using census 2010 population weights, assigning a tract to jurisdiction in proportion to block level population weights. Total household count may differ slightly from counts in other tables sourced from jurisdiction level sources. Categories are combined as follows for simplicity: At risk of or Experiencing Exclusion: At Risk of Becoming Exclusive; Becoming Exclusive; Stable/Advanced Exclusive At risk of or Experiencing Gentrification: At Risk of Gentrification; Early/Ongoing Gentrification; Advanced Gentrification Stable Moderate/Mixed Income: Stable Moderate/Mixed Income Susceptible to or Experiencing Displacement: Low- Income/Susceptible to Displacement; Ongoing Displacement Other: High Student Population; Unavailable or Unreliable Data.

Source: ABAG 2021 Pre-certified Housing Needs Data (Urban Displacement Project for classification, American Community Survey 5-Year Data (2015-2019), Table B25003 for tenure)

Section A.4 Housing Stock Characteristics

A.4.1 Housing Type and Vacancy

In recent years, most housing produced in the Region and across the State consisted of single-family homes and larger multi-unit buildings. However, some households are increasingly interested in "missing middle housing" – including duplexes, triplexes, townhomes, cottage clusters and accessory dwelling units (ADUs). These housing types may open up more options across incomes and tenure, from young households seeking homeownership options to seniors looking to downsize and age-in-place.

The housing stock of Piedmont in 2020 was made up of 93.3 percent single-family detached homes, 1.7 percent single family attached homes, 2.9 percent multifamily homes with 2 to 4 units, 2.0 percent multifamily homes with 5 or more units, and no mobile homes.

Table A-14: Housing Type Trends, City of Piedmont

	2010	2020	Change (in Units)	% Change
Single-Family Home: Attached	48	69	21	43.8%
Single-Family Home: Detached	3,710	3,714	4	0.1%
Multifamily Housing: Two to Four Units	87	117	30	34.5%
Multifamily Housing: Five- plus Units	79	79	00	0.0%
Mobile Homes	0	0	0	N/A
Total	3,924	3,979	55	1.4%

In Piedmont, the housing type that experienced the most growth between 2010 and 2020 was Multifamily Housing: Two to Four Units (see Figure A-32). The City of Piedmont counts ADU production as multi-family (2-4 units) or single family attached when reporting new construction to the Department of Finance (DoF). This likely accounts for the higher-than-expected estimates of multi-family and single-family attached construction since 2010. There may be other errors present in the DoF data. The City of Piedmont has reported there have been 7 single family attached and no multi-family housing units constructed since 2010.

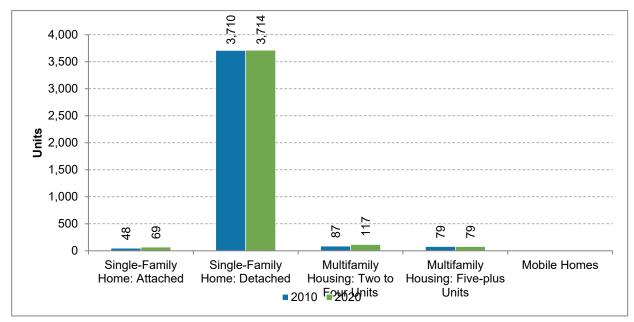


Figure A-32: Housing Type Trends, City of Piedmont

Notes:

Universe: Housing units

Source: ABAG 2021 Pre-certified Housing Needs Data (California Department of Finance, E-5 series)

Vacant units make up 2.6 percent of the overall housing stock in Piedmont, compared to 5 percent in the county and 6 percent in the region. This is based on an average from 2015 to 2019. Of the 99 vacant units, there are no vacant units to rent, 26 available to buy, and 73, or 76 percent, are classified as 'other vacant'. This is considerably different than County and regional trends, which illustrate a variety of vacancy types. (see Figure A-33).⁴

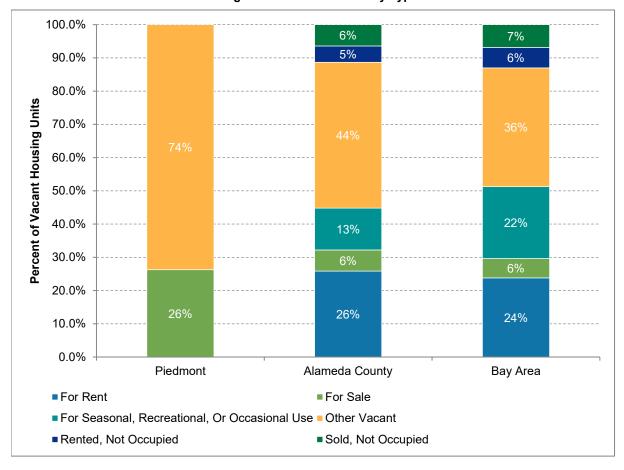


Figure A-33: Vacant Units by Type

Notes:

Universe: Vacant housing units

Source: ABAG 2021 Pre-certified Housing Needs Data (U.S. Census Bureau, American Community Survey 5-Year Data (2015-2019), Table B25004)

⁴ The vacancy rates by tenure is for a smaller universe than the total vacancy rate first reported, which in principle includes the full stock (2.5 percent). The vacancy by tenure counts are rates relative to the rental stock (occupied and vacant) and ownership stock (occupied and vacant) - but exclude a significant number of vacancy categories, including the numerically significant "other vacant".

Throughout the Bay Area, vacancies make up 6 percent of the total housing units, with homes listed for rent; units used for recreational or occasional use, and units not otherwise classified (other vacant) making up the majority of vacancies. The Census Bureau classifies a unit as vacant if no one is occupying it when census interviewers are conducting the American Community Survey or Decennial Census. Vacant units classified as "for recreational or occasional use" are those that are held for short-term periods of use throughout the year. Accordingly, vacation rentals and short-term rentals like AirBnB are likely to fall in this category. The Census Bureau classifies units as "other vacant" if they are vacant due to foreclosure, personal/family reasons, legal proceedings, repairs/renovations, abandonment, preparation for being rented or sold, or vacant for an extended absence for reasons such as a work assignment, military duty, or incarceration. In a Region with a thriving economy and housing market like the Bay Area, units being renovated/repaired and prepared for rental or sale are likely to represent a large portion of the "other vacant" category. Additionally, the need for seismic retrofitting in older housing stock could also influence the proportion of "other vacant" units in some jurisdictions. The largest share of vacancies in Piedmont is due to "other vacant" reasons, similar to that of Alameda County and the Bay Area.

A.4.2 Housing Tenure

The number of residents who own their homes compared to those who rent their homes can help identify the degree of potential housing insecurity or instability, meaning the number of persons or households that may lose access to housing for a variety of reasons, including overpayment, overcrowding, or lack of housing options. Generally, renters may be displaced more quickly if rental prices increase. In Piedmont there are a total of 3,838 housing units, and fewer residents rent than own their homes (12.1 percent versus 87.9 percent) (see Figure A-34). By comparison, 46.5 percent of households in Alameda County are renters, while 44 percent of Bay Area households rent their homes.

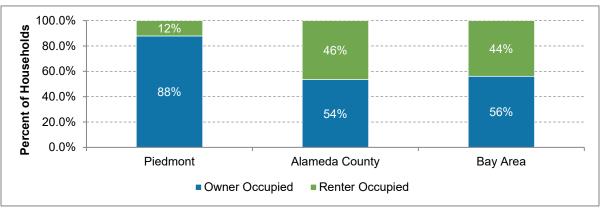


Figure A-34: Housing Tenure

Source: ABAG 2021 Pre-certified Housing Needs Data (U.S. Census Bureau, American Community Survey 5-Year Data (2015-2019), Table B25003

In many cities, homeownership rates for households in single-family homes are substantially higher than the rates for households in multi-family housing. In Piedmont, 89.5 percent of households in detached single-family homes are homeowners, while 15.5 percent of households in multi-family housing are homeowners (see Figure A-35). Therefore, most multi-family units in Piedmont are rented.

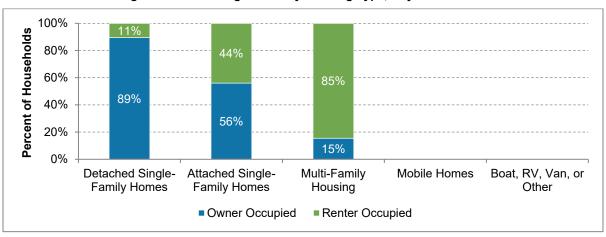


Figure A-35: Housing Tenure by Housing Type, City of Piedmont

Notes:

Universe: Occupied housing units

Source: ABAG 2021 Pre-certified Housing Needs Data (U.S. Census Bureau, American Community Survey 5-Year Data (2015-2019), Table B25032)

Homeownership rates often vary considerably across race/ethnicity in the Bay Area and throughout the country. These disparities not only reflect differences in income and wealth but also stem from federal, state, and local policies that limited access to homeownership for Communities of Color while facilitating homebuying for White residents. While many of these policies, such as redlining, have been formally disbanded, the impacts of race-based policy are still evident across Bay Area communities.

In Piedmont, 47.8 percent (22 of 46 total households) of Black households owned their homes, while homeownership rates were 94.2 percent for Asian households (539 of 572 total), 90.8 percent for Latino households (89 of 98 total), and 87.4 percent for White households (2,780 of 3,179 total). Notably, recent changes to state law require local jurisdictions to examine these dynamics and other fair housing issues when updating their Housing Elements.

Table A-15: Housing Tenure by Race of Householder, City of Piedmont

Racial/Ethnic Group	Owner Occupied	% of Total Owner Occupied	Renter Occupied	% of Total Renter Occupied	Total # of Households
American Indian or Alaska Native (Hispanic and Non- Hispanic)	0	0.0%	0	0.0%	0
Asian / API (Hispanic and Non- Hispanic)	539	8.8%	33	3.8%	572
Black or African American (Hispanic and Non- Hispanic)	22	0.4%	24	2.7%	46
Hispanic or Latino	89	1.4%	9	1.0%	98
Other Race or Multiple Races (Hispanic and Non- Hispanic)	32	0.5%	9	1.0%	41
White (Hispanic and Non-Hispanic)	2,780	45.2%	399	45.7%	3,179
White, Non- Hispanic	2,691	45.7%	399	45.7%	3,090
Total	6,153	100.0%	3,979	100.00%	10,132

Notes:

Universe: Occupied housing units

For this table, the Census Bureau does not disaggregate racial groups by Hispanic/Latino ethnicity. However, data for the white racial group is also reported for white householders who are not Hispanic/Latino. Since residents who identify as white and Hispanic/Latino may have very different experiences within the housing market and the economy from those who identify as white and non-Hispanic/Latino, data for multiple white sub-groups are reported here. The racial/ethnic groups reported in this table are not all mutually exclusive. Therefore, the data should not be summed as the sum exceeds the total number of occupied housing units for this jurisdiction. However, all groups labelled "Hispanic and Non-Hispanic" are mutually exclusive, and the sum of the data for these groups is equivalent to the total number of occupied housing units.

Source: ABAG 2021 Pre-certified Housing Needs Data (U.S. Census Bureau, American Community Survey 5-Year Data (2015-2019), Table B25003(A-I))

The age of residents who rent or own their home can also signal the housing challenges a community is experiencing. Younger households tend to rent and may struggle to buy a first home in the Bay Area due to high housing costs. At the same time, senior homeowners seeking to downsize may have limited options to move or downsize in an expensive housing market.

In Piedmont, 27.0 percent of householders between the ages of 25 and 44 and 3.7 percent of householders over 65 years of age are renters. The age group with the most renters is the 35-44 group with 29 percent renters (see Figure A-36).

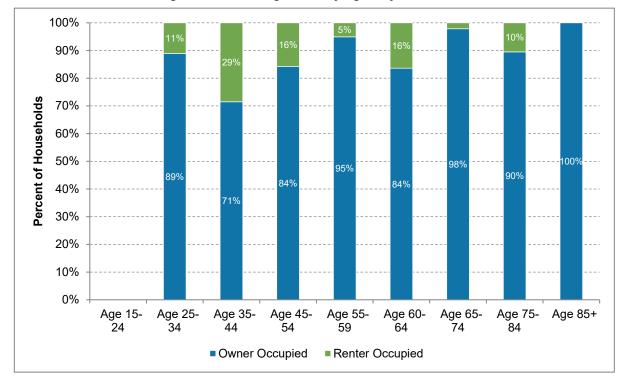


Figure A-36: Housing Tenure by Age, City of Piedmont

Notes:

Universe: Occupied housing units

Source: ABAG 2021 Pre-certified Housing Needs Data (U.S. Census Bureau, American Community Survey 5-Year Data (2015-2019), Table B25007)

A.4.3 Housing Units Permitted

Between 2015 and 2019, 37 housing units were issued permits in Piedmont. Of these housing units permitted, 40.5 percent were for above moderate-income housing, 24.3 percent were for moderate-income housing, and 35.1 percent were for low- or very low-income housing. (see Table A-16). Because almost half (44 percent) of its 6th Cycle RHNA is allocated for lower-income housing, the City's housing plan (Section IV) contains additional programs and policies to increase the representation of very low, low, and moderate-income units permitted.

Table A-16: Housing Permitting, City of Piedmont

Income Group	Number of Units
Above Moderate-Income Permits	15
Moderate Income Permits	9
Low Income Permits	8
Very Low-Income Permits	5

Notes:

Universe: Housing permits issued between 2015 and 2019

HCD uses the following definitions for the four income categories: Very Low Income: units affordable to households making less than 50% of the Area Median Income for the county in which the jurisdiction is located. Low Income: units affordable to households making between 50% and 80% of the Area Median Income for the county in which the jurisdiction is located. Moderate Income: units affordable to households making between 80% and 120% of the Area Median Income for the county in which the jurisdiction is located. Above Moderate Income: units affordable to households making above 120% of the Area Median Income for the county in which the jurisdiction is located.

Sources: ABAG 2021 Pre-certified Housing Needs Data (California Department of Housing and Community Development (HCD), 5th Cycle Annual Progress Report Permit Summary (2020))

A.4.4 Housing Age and Condition

The age of housing stock is a key indicator of the community's overall housing condition. As homes get older, there is a greater need for maintenance, repair, and/or replacement of key infrastructure systems. If not properly addressed, an aging housing stock can represent poorer living standards, incur more expensive repair costs and, under certain conditions, lower overall property values.

Production has not kept up with housing demand for several decades in the Bay Area, as the total number of units built and available has not yet come close to meeting the population and job growth experienced throughout the Region.

In Piedmont, the largest proportion of the housing stock was built in 1939 or earlier, with 2,523 units constructed during this period, which is approximately 64.1 percent of housing units (see Figure A-37). The housing stock in Alameda County is newer, with the largest portion of units built between 1960 and 1979. Of Alameda County housing stock, 39.2 percent was built before 1960 while 86.5 percent of Piedmont's housing stock was built before 1960. Only 23 units, or 0.6 percent of the current housing stock, was built after 2010. In Alameda County, 3.2 percent of housing units were built in 2010 or later.

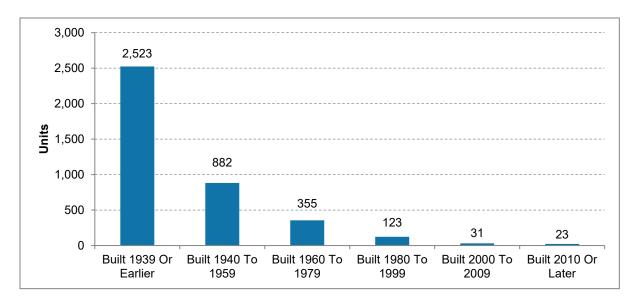


Figure A-37: Housing Units by Year Structure Built, City of Piedmont

Notes:

Universe: Housing units

Source: ABAG 2021 Pre-certified Housing Needs Data (U.S. Census Bureau, American Community Survey 5-Year Data (2015-2019), Table B25034)

Substandard Housing

Housing costs in the Region are among the highest in the country, which could result in households, particularly renters, needing to live in substandard conditions in order to afford housing. Generally, there is limited data on the extent of substandard housing issues in a community. However, the Census Bureau gathers data to gain a sense of some of the substandard conditions that may be present, including lack of kitchen facilities or lack of plumbing. In Piedmont, no residents reported lacking a kitchen or a lack of plumbing.

The City noted there are very few code enforcement complaints regarding housing conditions. The City estimates one complaint per year, and no complaints are localized in any one part of the City. City staff are aware of several homes with substandard conditions and are working to help the property owners bring their homes into minimum habitability requirements. Staff typically encounter 1 or 2 homes a year and notify owners of grant opportunities and other programs.

Section A.5 Housing Costs and Affordability

A.5.1 Ownership Costs

Home prices reflect a complex mix of supply and demand factors, including an area's demographic profile, labor market, prevailing wages and job outlook, coupled with land and construction costs. In the Bay Area, the costs of housing have long been among the highest in the nation. The typical home value in Piedmont was estimated at \$2,369,680 by December of 2020, per data from Zillow. The largest proportion of homes were valued at \$2M+ (see Figure A-40). By comparison, the typical home value is \$951,380 in Alameda County and \$1,077,230 in the Bay Area (see Figure A-38).

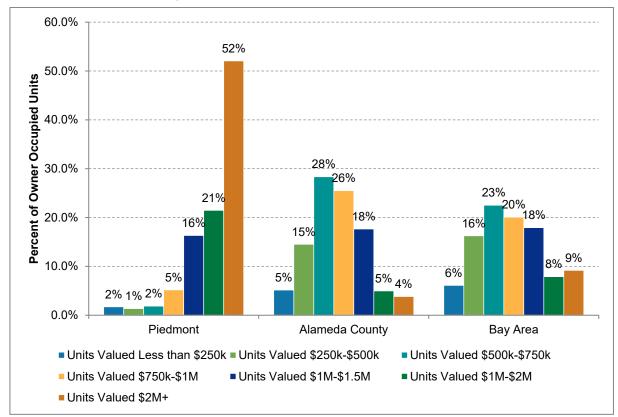


Figure A-38: Home Values of Owner-Occupied Units

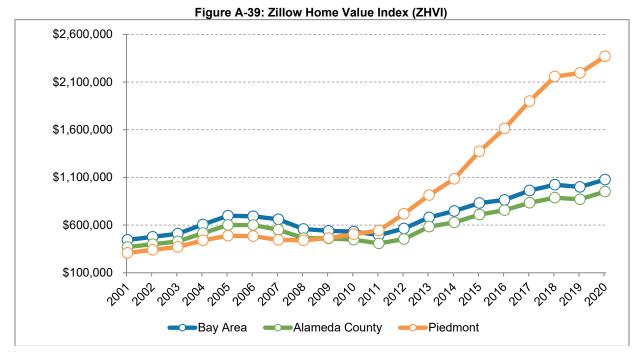
Notes:

Universe: Owner-occupied housing units

Zillow describes the ZHVI as a smoothed, seasonally adjusted measure of the typical home value and market changes across a given Region and housing type. The ZHVI reflects the typical value for homes in the 35th to 65th percentile range. The ZHVI reflects the typical value for homes in the 35th to 65th percentile range. The ZHVI includes all owner-occupied housing units, including both single-family homes and condominiums. More information on the ZHVI is available from Zillow. The regional estimate is a household-weighted average of county-level ZHVI files, where household counts are yearly estimates from DOF's E-5 series

Source: ABAG 2021 Pre-certified Housing Needs Data (Zillow, Zillow Home Value Index (ZHVI))

The region's home values have increased steadily since 2000, besides a decrease during the Great Recession. The rise in home prices has been especially steep since 2012, with the median home value in the Bay Area nearly doubling during this time. Since 2001, the typical home value has increased 668.2 percent in Piedmont from \$308,470 to \$2,369,680. (see Figure A-39).



Notes:

Universe: Owner-occupied units

Source: ABAG 2021 Pre-certified Housing Needs Data (U.S. Census Bureau, American Community Survey 5-Year Data (2015-2019), Table B25075)

A.5.2 Rental Costs

Similar to home values, rents have also increased dramatically across the Bay Area in recent years. Many renters have been priced out, evicted, or displaced, particularly Communities of Color. Residents finding themselves in one of these situations may have had to choose between commuting long distances to their jobs and schools or moving out of the region, and sometimes, out of the State.

It is more expensive to rent a home in Piedmont than it is in Alameda County and the Bay Area. Based on U.S. Census data, which often lags market valuations, 61.5 percent of rental units in Piedmont rented for more \$3,000 or more per month, and 15.1 percent of units rent at \$2,500-\$3,000 per month (see Figure A-40). Outside the City, a majority of units are available at rents between \$1,500-\$2,000 per month.

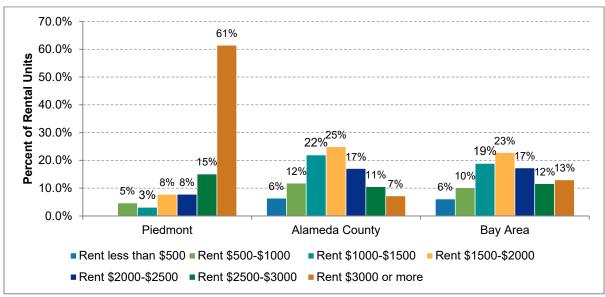


Figure A-40: Contract Rents for Renter-Occupied Units

Notes:

Universe: Renter-occupied housing units paying cash rent

Source: ABAG 2021 Pre-certified Housing Needs Data (U.S. Census Bureau, American Community Survey 5-Year Data (2015-2019), Table B25056)

Since 2009, according to U.S. Census data, the median rent has increased by 70.4 percent in Piedmont, from \$1,490 to \$3,130 per month (see Figure A-41). In Alameda County, the median rent has increased 36.0 percent, from \$1,240 to \$1,690. The median rent in the Region has increased significantly during this time from \$1,200 to \$1,850, just over 54.0 percent increase. Piedmont's rent increase outpaced both the county and the Bay Area.

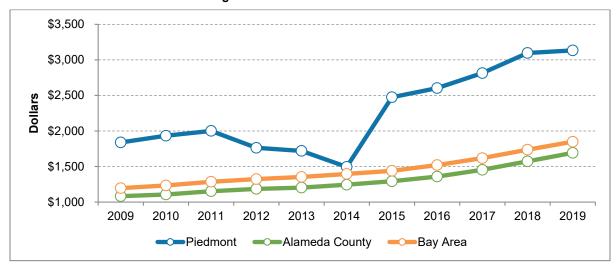


Figure A-41: Median Contract Rent

Notes:

Universe: Renter-occupied housing units paying cash rent

For unincorporated areas, median is calculated using distribution in B25056.

Source: ABAG 2021 Pre-certified Housing Needs Data (U.S. Census Bureau, American Community Survey 5-Year Data releases, starting with 2005-2009 through 2015-2019, B25058, B25056 (for unincorporated areas). County and regional counts are weighted averages of jurisdiction median using B25003 rental unit counts from the relevant year)

A.5.3 Overpayment

A standard measure of housing affordability can be determined by comparing the cost of market rate housing to the price residents can afford to pay for housing based on their income levels. A household is considered "cost-burdened" if it spends more than 30 percent of its monthly income on housing costs, while those who spend more than 50 percent of their income on housing costs are considered "severely cost-burdened." Low-income residents are the most impacted by high housing costs and experience the highest rates of cost burden. When a household is overpaying for housing costs, the household has less income for other necessities, including health care, food, and clothing. Spending such large portions of their income on housing puts low-income households at higher risk of displacement, eviction, or homelessness. In the event of unexpected circumstances, such as loss of employment and health problems, lower-income households with a burdensome housing cost are more likely to become homeless or be forced to double-up with other households, which can lead to overcrowded conditions.

Piedmont has a lower proportion of cost-burdened households compared to the county and the Bay Area. Of Piedmont's households, approximately, 12 percent are cost burdened, and 9 percent are severely cost burdened. In the county, the proportions are 20 percent and 17 percent, respectively. (See Figure A-42)

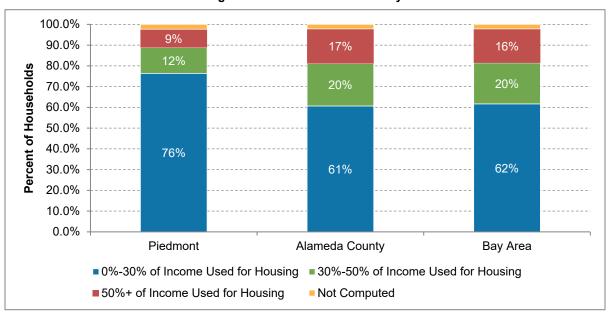


Figure A-42: Cost Burden Severity

Notes:

Cost burden is the ratio of housing costs to household income. For renters, housing cost is gross rent (contract rent plus utilities). For owners, housing cost is "select monthly owner costs", which includes mortgage payment, utilities, association fees, insurance, and real estate taxes. HUD defines cost-burdened households as those whose monthly housing costs exceed 30% of monthly income, while severely cost-burdened households are those whose monthly housing costs exceed 50% of monthly income.

Source: ABAG 2021 Pre-certified Housing Needs Data (U.S. Census Bureau, American Community Survey 5-Year Data (2015-2019), Table B25070, B25091)

Renters are often more cost-burdened than owners. While the housing market has resulted in home prices increasing dramatically, homeowners often have mortgages with fixed rates, whereas renters are more likely to be impacted by market increases. When looking at the cost burden across tenure in Piedmont, 8.6 percent of renters spend 30.0 percent to 50.0 percent of their income on housing compared to 12.9 percent of those that own (see Figure A-43). Additionally, 12.5 percent of renters spend 50.0 percent or more of their income on housing, while 8.4 percent of owners are severely cost-burdened. In total, 21.3 percent of homeowners and 21.1 percent of renters experience some level of cost burden.

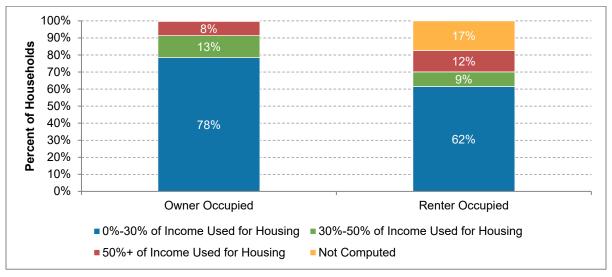


Figure A-43: Cost Burden by Tenure, City of Piedmont

Notes:

Universe: Occupied housing units

Cost burden is the ratio of housing costs to household income. For renters, housing cost is gross rent (contract rent plus utilities). For owners, housing cost is "select monthly owner costs", which includes mortgage payment, utilities, association fees, insurance, and real estate taxes. HUD defines cost-burdened households as those whose monthly housing costs exceed 30% of monthly income, while severely cost-burdened households are those whose monthly housing costs exceed 50% of monthly income.

Source: ABAG 2021 Pre-certified Housing Needs Data (U.S. Census Bureau, American Community Survey 5-Year Data (2015-2019), Table B25070, B25091)

In Piedmont, 14.2 percent of households spend 50 percent or more of their income on housing, while 13.5 percent spend 30 percent to 50 percent. However, these rates vary greatly across income categories (see Figure A-44). As expected, lower-income households are more likely to be housing cost-burdened than higher-income households. For example, 95.3 percent of Piedmont households making less than 30 percent of AMI spend the majority of their income on housing. Over 68 percent of moderate-income households are cost burdened. For Piedmont residents making more than 100 percent of AMI, just 5.0 percent are severely cost-burdened, and 84.3 percent of those making more than 100 percent of AMI spend less than 30 percent of their income on housing.

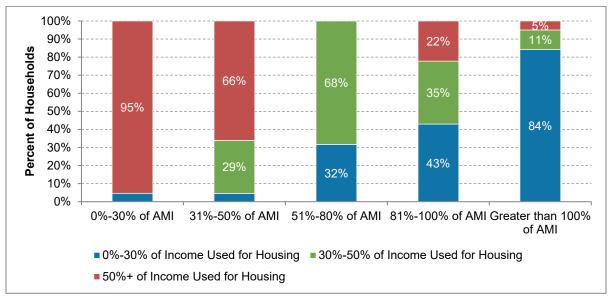


Figure A-44: Cost Burden by Income Level, City of Piedmont

Notes:

Universe: Occupied housing units

Cost burden is the ratio of housing costs to household income. For renters, housing cost is gross rent (contract rent plus utilities). For owners, housing cost is "select monthly owner costs", which includes mortgage payment, utilities, association fees, insurance, and real estate taxes. HUD defines cost-burdened households as those whose monthly housing costs exceed 30% of monthly income, while severely cost-burdened households are those whose monthly housing costs exceed 50% of monthly income. Income groups are based on HUD calculations for Area Median Income (AMI). HUD calculates the AMI for different metropolitan areas, and the nine county Bay Area includes the following metropolitan areas: Napa Metro Area (Napa County), Oakland-Fremont Metro Area (Alameda and Contra Costa Counties), San Francisco Metro Area (Marin, San Francisco, and San Mateo Counties), San Jose-Sunnyvale-Santa Clara Metro Area (Santa Clara County), Santa Rosa Metro Area (Sonoma County), and Vallejo-Fairfield Metro Area (Solano County). The AMI levels in this chart are based on the HUD metro area where this jurisdiction is located.

Currently, People of Color are more likely to experience poverty and financial instability as a result of federal and local housing policies that have historically excluded them from the same opportunities extended to White residents. As a result, they often pay a greater percentage of their income on housing, and in turn, are at a greater risk of housing insecurity.

Other Race or Multiple Races, Non-Hispanic residents are the most cost burdened with 44.1 percent spending 30.0 percent to 50.0 percent of their income on housing, and Hispanic or Latino residents are the most severely cost burdened with 27.3 percent spending more than 50.0 percent of their income on housing (see Figure A-45).

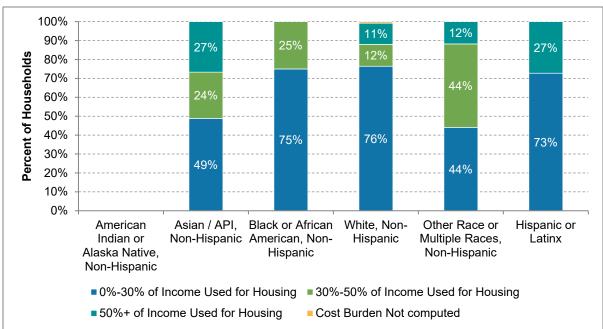


Figure A-45: Cost Burden by Race, City of Piedmont

Notes:

Universe: Occupied housing units

Cost burden is the ratio of housing costs to household income. For renters, housing cost is gross rent (contract rent plus utilities). For owners, housing cost is "select monthly owner costs", which includes mortgage payment, utilities, association fees, insurance, and real estate taxes. HUD defines cost-burdened households as those whose monthly housing costs exceed 30% of monthly income, while severely cost-burdened households are those whose monthly housing costs exceed 50% of monthly income. For the purposes of this graph, the "Hispanic or Latino" racial/ethnic group represents those who identify as having Hispanic/Latino ethnicity and may also be members of any racial group. All other racial categories on this graph represent those who identify with that racial category and do not identify with Hispanic/Latino ethnicity.

Large family households often have special housing needs due to a lack of adequately sized affordable housing available. The higher costs required for homes with multiple bedrooms can result in larger families experiencing a disproportionate cost burden than the rest of the population and can increase the risk of housing insecurity.

Larger families in Piedmont, however, are not more likely to be cost burdened than all other household types. In Piedmont, 11.7 percent of large family households experience a cost burden of 30.0 percent to 50.0 percent, while 1.3 percent of households spend more than half of their income on housing. Approximately 13.7 percent of all other households have a cost burden of 30.0 percent to 50.0 percent, with 15.3 percent of households spending more than 50.0 percent of their income on housing (see Figure A-46).

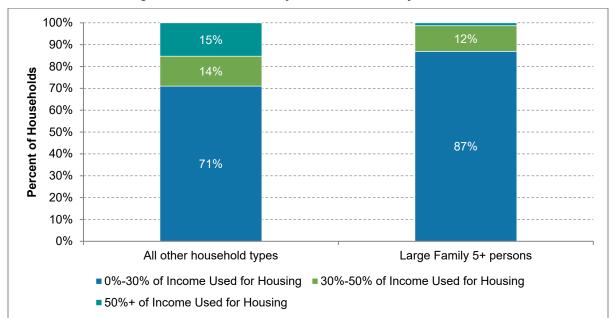


Figure A-46: Cost Burden by Household Size, City of Piedmont

Notes:

Universe: Occupied housing units

Cost burden is the ratio of housing costs to household income. For renters, housing cost is gross rent (contract rent plus utilities). For owners, housing cost is "select monthly owner costs", which includes mortgage payment, utilities, association fees, insurance, and real estate taxes. HUD defines cost-burdened households as those whose monthly housing costs exceed 30% of monthly income, while severely cost-burdened households are those whose monthly housing costs exceed 50% of monthly income.

When cost-burdened seniors are no longer able to make house payments or pay rents, displacement from their homes can occur, putting further stress on the local rental market or forcing residents out of the community they call home. Understanding how seniors might be cost-burdened is of particular importance due to their special housing needs, particularly for low-income seniors. Almost nine percent of seniors making less than 30.0 percent of AMI are spending the majority of their income on housing. For seniors making more than 100.0 percent of AMI, 85.2 percent are not cost-burdened and spend less than 30.0 percent of their income on housing (see Figure A-47). In total, nearly one-third of seniors are cost burdened.

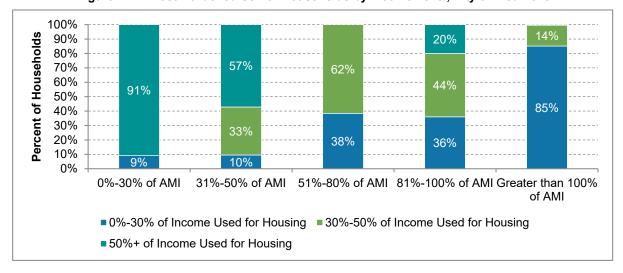


Figure A-47: Cost-Burdened Senior Households by Income Level, City of Piedmont

Notes:

Universe: Senior households

For the purposes of this graph, senior households are those with a householder who is aged 62 or older. Cost burden is the ratio of housing costs to household income. For renters, housing cost is gross rent (contract rent plus utilities). For owners, housing cost is "select monthly owner costs", which includes mortgage payment, utilities, association fees, insurance, and real estate taxes. HUD defines cost-burdened households as those whose monthly housing costs exceed 30% of monthly income, while severely cost-burdened households are those whose monthly housing costs exceed 50% of monthly income. Income groups are based on HUD calculations for Area Median Income (AMI). HUD calculates the AMI for different metropolitan areas, and the nine county Bay Area includes the following metropolitan areas: Napa Metro Area (Napa County), Oakland-Fremont Metro Area (Alameda and Contra Costa Counties), San Francisco Metro Area (Marin, San Francisco, and San Mateo Counties), San Jose- Sunnyvale-Santa Clara Metro Area (Santa Clara County), Santa Rosa Metro Area (Sonoma County), and Vallejo-Fairfield Metro Area (Solano County). The AMI levels in this chart are based on the HUD metro area where this jurisdiction is located.

Housing Costs Compared to Ability to Pay

The ability to pay for housing is a function of housing cost and other essential living expenses in relation to household income. Since above-moderate income households do not generally have problems in locating affordable units, affordable units are frequently defined as those reasonably priced for households that are low- to moderate-income.

Table A-17 shows the 2021 income limits and compares these income limits to affordable (no more than 30 percent of gross income) rent and purchase prices. The median gross rent (\$3,133) in Piedmont is generally affordable for 3 person households earning 120 percent or more of the Alameda County median income (\$99,406). The median purchase price of a home in Piedmont (\$2,369,680) is not affordable for even high-earning households. Households must earn at more than 200 percent of AMI, to be able to afford to buy an average priced home in the city.

Table A-17: 2021 Alameda County Ability to Pay for Housing and Fair Market Rent and Purchase Prices

	Number of Persons in Household			
	1	2	3	4
Extremely Low (0-30% AMI)		•		•
Annual Income Limit	\$28,800	\$32,900	\$37,000	\$41,100
Monthly Income	\$2,400	\$2,742	\$3,083	\$3,425
Max. Monthly Gross Rent ¹	\$720	\$823	\$925	\$1,028
Max. Purchase Price 5% down²	\$125,250	\$145,000	\$165,000	\$185,000
Max. Purchase Price 20% down ³	\$164,000	\$190,000	\$215,750	\$241,750
Very Low (30-50% AMI)				
Annual Income Limit	\$47,950	\$54,800	\$61,650	\$68,500
Monthly Income	\$3,996	\$4,567	\$5,138	\$5,708
Max. Monthly Gross Rent ¹	\$1,199	\$1,370	\$1,541	\$1,713
Max. Purchase Price 5% down²	\$217,750	\$250,750	\$283,750	\$317,000
Max. Purchase Price 20% down ³	\$285,000	\$328,250	\$371,500	\$414,500
Low (50-80% AMI)				
Annual Income Limit	\$76,750	\$87,700	\$98,650	\$109,600
Monthly Income	\$6,396	\$7,308	\$8,221	\$9,133
Max. Monthly Gross Rent ¹	\$1,919	\$2,193	\$2,466	\$2,740
Max. Purchase Price 5% down ²	\$356,500	\$409,500	\$462,250	\$515,000
Max. Purchase Price 20% down ³	\$467,000	\$536,000	\$605,000	\$674,000
Median (100% AMI)				
Annual Income Limit	\$87,900	\$100,500	\$113,050	\$125,600
Monthly Income	\$7,325	\$8,375	\$9,421	\$10,467
Max. Monthly Gross Rent ¹	\$2,198	\$2,513	\$2,826	\$3,140
Max. Purchase Price 5% down ²	\$388,000	\$449,000	\$476,951	\$508,420

Table A-17: 2021 Alameda County Ability to Pay for Housing and Fair Market Rent and Purchase Prices

	1	Number of Persons in Household			
	1	2	3	4	
Max. Purchase Price 20% down ³	\$506,000	\$566,430	\$630,000	\$704,800	
Moderate (80-120% AMI)	•	•	•	•	
Annual Income Limit	\$105,500	\$120,550	\$135,650	\$150,700	
Monthly Income	\$8,792	\$10,046	\$11,304	\$12,558	
Max. Monthly Gross Rent ¹	\$2,638	\$3,014	\$3,391	\$3,768	
Max. Purchase Price 5% down ²	\$495,500	\$568,000	\$640,500	\$713,250	
Max. Purchase Price 20% down³	\$648,250	\$743,250	\$838,500	\$934,750	
120-150% AMI					
Annual Income Limit	\$131,850	\$150,750	\$169,575	\$188,400	
Monthly Income	\$10,988	\$12,563	\$14,131	\$15,700	
Max. Monthly Gross Rent ¹	\$3,296	\$3,769	\$4,239	\$4,710	
Max. Purchase Price 5% down ²	\$559,400	\$646,200	\$732,400	\$818,700	
Max. Purchase Price 20% down³	\$754,000	\$871,300	\$987,500	\$1,104,000	
150-180% AMI				•	
Annual Income Limit	\$158,220	\$180,900	\$203,490	\$226,080	
Monthly Income	\$13,185	\$15,075	\$16,958	\$18,840	
Max. Monthly Gross Rent ¹	\$3,956	\$4,523	\$5,087	\$5,652	
Max. Purchase Price 5% down ²	\$682,600	\$786,900	\$890,600	\$994,500	
Max. Purchase Price 20% down³	\$917,400	\$1,057,600	\$1,197,000	\$1,336,900	
180-200% AMI				•	
Annual Income Limit	\$175,800	\$201,000	\$226,100	\$251,200	
Monthly Income	\$14,650	\$16,750	\$18,842	\$20,933	
Max. Monthly Gross Rent ¹	\$4,395	\$5,025	\$5,653	\$6,280	
Max. Purchase Price 5% down ²	\$763,300	\$879,300	\$994,700	\$1,110,100	
Max. Purchase Price 20% down³	\$1,026,000	\$1,181,700	\$1,336,910	\$1,492,000	
Notes:	•	•	•	•	

Notes:

Source: Zillow Mortgage Calculator

¹30% of income devoted to maximum monthly rent or mortgage payment, including utilities, taxes, and insurance

² Assumes 95% loan (i.e., 5% down payment) @ 2.875% annual interest rate and 30-year term

³ Assumes 80% loan (i.e., 20% down payment) @ 2.875% annual interest rate and 30-year term

A.5.4 At-Risk Housing Assessment

While there is an immense need to produce new affordable housing units, ensuring that the existing affordable housing stock remains affordable is equally important. Additionally, it is typically faster and less expensive to preserve currently affordable units that are at risk of converting to market-rate than it is to build new affordable housing.

The data in the table below comes from the California Housing Partnership's Preservation Database, the State's most comprehensive source of information on subsidized affordable housing at risk of losing its affordable status and converting to market-rate housing. However, this database does not include all deed-restricted affordable units in the State, so there may be atrisk assisted units in a jurisdiction that are not captured in this data table. There are no assisted units in Piedmont in the Preservation Database.

While there are no at-risk multi-family housing projects in Piedmont, the City does have 9 affordable accessory dwelling units with rent restrictions expiring between 2025 and 2035.

		•	
Income	Piedmont	Alameda County	Bay Area
Low	0	23,040	110,177
Moderate	0	167	3,375
High	0	189	1,854
Very High	0	106	1,053
Total Assisted Units in Database	0	23,502	116,459

Table A-18: Assisted Units at Risk of Conversion, City of Piedmont

Notes:

Universe: HUD, Low-Income Housing Tax Credit (LIHTC), USDA, and CalHFA projects. Subsidized or assisted developments that do not have one of the aforementioned financing sources may not be included.

While California Housing Partnership's Preservation Database is the State's most comprehensive source of information on subsidized affordable housing at risk of losing its affordable status and converting to market-rate housing, this database does not include all deed-restricted affordable units in the State. Consequently, there may be at-risk assisted units in a jurisdiction that are not captured in this data table. Housing Partnership uses the following categories for assisted housing developments in its database:

Very-High Risk: affordable homes that are at- risk of converting to market rate within the next year that do not have a known overlapping subsidy that would extend affordability and are not owned by a large/stable non-profit, mission-driven developer.

High Risk: affordable homes that are at-risk of converting to market rate in the next 1-5 years that do not have a known overlapping subsidy that would extend affordability and are not owned by a large/stable non-profit, mission-driven developer.

Moderate Risk: affordable homes that are at-risk of converting to market rate in the next 5-10 years that do not have a known overlapping subsidy that would extend affordability and are not owned by a large/stable non-profit, mission-driven developer.

Low Risk: affordable homes that are at- risk of converting to market rate in 10+ years and/or are owned by a large/stable non-profit, mission-driven developer.

Source: ABAG 2021 Pre-certified Housing Needs Data (California Housing Partnership, Preservation Database (2020))

Appendix B: Housing Capacity Analysis and Methodology

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Section B.1 Introduction

B.1.1 Overview and Purpose

According to California Government Code §65580-65589, the housing element must include an inventory of adequate sites that are zoned and available within the planning period to meet the jurisdiction's fair share of regional housing needs across all income levels. The sites inventory, in addition to projected accessory dwelling units (ADUs) and entitled or in



process development projects, assists in determining if the jurisdiction has enough developable land to meet its Regional Housing Needs Allocation (RHNA), given its current regulatory framework and market conditions. This Appendix details the sites inventory and supporting analysis methodology and assumptions.

B.1.2 Regional Housing Needs Allocation

Jurisdictions must provide sufficient land to accommodate enough housing for all economic segments of the community. Compliance is determined by the jurisdiction's ability to provide adequate development capacity through appropriate development regulations and land use policies. The number of new units that must be accommodated is established through each jurisdiction's share of the region's projected housing needs for the planning period. This share for each jurisdiction is called the Regional Housing Needs Allocation (RHNA).

The Association of Bay Area Governments (ABAG), a regional planning agency, is responsible for distributing the RHNA to each jurisdiction within its nine-county region. The RHNA is distributed by income category.

For the 2023-2031 Housing Element update, Piedmont is allocated a RHNA of 587 units as follows:

- Extremely Low and Very Low Income (less than 50 percent of AMI): 163 units (28 percent)
- Low Income (50 to 80 percent of AMI): 94 units (16 percent)
- Moderate Income (80 to 120 percent of AMI): 92 units (16 percent)
- Above Moderate Income (greater than 120 percent of AMI): 238 units (40 percent)

For this Housing Element planning period, January 31, 2023 through January 31, 2031, the City must ensure the availability of adequate residential sites to accommodate these units. This Appendix provides an overview of the methodology used to evaluate the adequacy of sites within Piedmont and identifies such sites for future residential development to fulfill the City's share of regional housing needs.

B.1.3 Data

The sites inventory analysis used data provided by the City, such as GIS data and building permit/entitlement information. The following is an overview of the data used:

- City GIS data, including Base Zoning Districts, General Plan Land Use designation, Existing Use, Assessor Parcel Number (APN), and parcel size, etc.
- Accessory Dwelling Unit (ADU) applications and permit approval history
- Entitled projects and projects in the entitlement phase
- Prior housing element site inventories
- Annual Progress Reports to HCD during the 5th Cycle
- Zoning Code allowed density and floor area ratio standards (FAR)

Section B.2 Future Residential Development Potential

B.2.1 Accessory Dwelling Units

State laws in effect since January 1, 2018, have significantly eased the development standards and streamlined the approval process for Accessory Dwelling Units (ADUs). As a result, the City has experienced an increasing trend in ADU building permit issuance and production in recent years. Table B-1 shows the number of building permits issued for ADUs in Piedmont from 2019 through 2021.

 Year
 Permitted ADUs

 2019
 10

 2020
 21

 2021
 22

 Total
 53

 Annual Average
 17.6

 Source: City of Piedmont, 2022

Table B-1: Permitted ADUs - Building Permits Issued

Over a 3-year period from 2019 through 2021, the City issued an average of 17.67 ADU building permits per year. Therefore, the City is estimating 17.5 ADUs to be produced each year, or 140 ADUs during the eight-year planning period.

In 2020, the City adopted an ADU Ordinance consistent with State law. Since then, the City has utilized SB2 Grant funding to analyze the State compliant ADU Ordinance in Division 7.38

of the City Zoning Code, develop potential incentives for deed restricted affordable ADU development, and generate pre-approved ADU plans, which can help streamline application and approval of ADUs and J-ADUs. The ADU analysis and incentives were released for public review in October 2021. The Housing Element incorporates feasible recommendations from this report to continue to incentivize ADU production to help meet the City's RHNA (see Section IV). Furthermore, the City will monitor ADU production and affordability throughout the planning period and implement additional actions if target ADU numbers are not being met.

ABAG conducted a regional ADU affordability analysis to provide local governments in the region with assumptions for ADU affordability that can be used to assign projected ADUs to income categories. The ADU affordability assumptions identified in the ABAG analysis were applied to ADUs projected over the planning period are listed in Table B-2. Given the City's socio-economic composition outlined in Appendix A, and to avoid overreliance on ADUs for affordable housing and to resolve potential fair housing issues, the City uses the conservative estimate option provided by ABAG.

Table B-2: Affordability per ABAG ADU Survey

Income Level	Percent	ADU Projections
Extremely Low/Very Low	5%	7
Low	30%	42
Moderate	50%	70
Above Moderate	15%	21
	Total	140
Source: ABAG, 2021		

B.2.2 Entitled and Proposed Developments

Because the RHNA projection period for the 2023-2031 Housing Element begins on June 30, 2022, housing developments that have been proposed or received entitlement and are not expected to be issued a certificate of occupancy on or after July 1, 2022, can be credited toward the RHNA (assuming they will be completed before the end of the planning period (January 31, 2031)). Table B-3 lists those projects that meet those criteria and can be credited toward the 6th Cycle RHNA. Entitled and proposed developments would result in 1 net new unit.

Table B-3: Approved/Entitled Developments

		21.1	Units by Income Level						
APN	Address	Status	Low	Moderate	Above Moderate	Total Net New ¹			
	139 Lexford Rd	Permit issued			1	1			
		Total			1	1			

¹ No projects are located on parcels with existing residential units where the existing residential units will be demolished.

Source: City of Piedmont

B.2.3 Density and Capacity Assumptions

Table B-4 identifies the maximum allowed and realistic densities used in the site inventory analysis, in dwelling units per acre (du/ac), for zones that allow residential uses. The densities assume the City completes Programs 1.F, to increase the maximum allowed density in Zone B to 60 dwelling units per acre, Program 1.H to increase the maximum allowed density in Zone D to 60 dwelling units per acre, and Program 1.D to modify Zone A to allow religious institution affiliated housing in Zone A at densities of 21 dwelling units per acre.

The most recent multi-family development in Piedmont is the completion of former Program 1.B from the 5th Cycle Housing Element. The City approved the Linda Avenue townhome project in 2015, with construction completed in 2018. The project was built on a 0.35-acre site and reached maximum allowed capacity of 20 units an acre, with 7 new units completed. Although there is evidence that maximum densities are achievable, the City conservatively assumes a 20 percent density reduction from maximum allowed density in multi-family and mixed-use zones to account for potential site constraints.

Table B-4: Density Assumptions

Zone		Maximum Du/Ac	Realistic Du/Ac	Notes
А	Single Family Residential	1 unit per site	1 unit per site	
А	Religious institution affiliated housing	21 du/ac*	17 du/ac	*Requires Zone Amendment to allow religious institution affiliated housing
В	Public Facilities	60 du/ac	48 du/ac	Requires Zone Amendment to allow 60 du/ac
С	Multi-Family Residential	60 du/ac	48 du/ac	Requires Zone Amendment to allow 60 du/ac
D	Commercial/Mixed Use Residential	80 du/ac	64 du/ac	Requires Zone Amendment to allow 80 du/ac
E	Single Family Residential Estate	1 unit per site	1 unit per site	

² Low-income units will be deed restricted and are entitled through a development agreement.

To understand development opportunities for higher density and mixed-use scenarios, the City conducted site feasibility analyses in the Spring and Summer of 2021. The results of the analysis, published in October 2021, indicate the feasibility of affordable residential mixed-use development on lots 0.45 acres and 0.80 acres when utilizing the City's Density Bonus Ordinance, with resulting densities up to 83 dwelling units per acre. To facilitate these densities, the City will complete Program 1.D, 1.F, and 1.H (as noted above) to increase base density in Zone D to 80 dwelling units per acre.

B.2.4 Methodology

To create the adequate sites inventory, the City developed a comprehensive, iterative methodology to screen parcels for near-term development. The methodology is comprised of several phases described below.

Phase 1a: Vacant Sites that Allow Residential

The City identified all vacant parcels that allow residential (per Table B-4). Parcels were determined to be vacant based on City GIS data, which classified vacant parcels from a previous vacant land inventory. Then City staff reviewed each parcel by APN and address to confirm vacant status of all parcels.

Phase 1b: Nonvacant Sites that Have Residential Development Potential (See Section B.2.5)

Since the City is generally built out, the City also identified nonvacant sites to analyze in the sites inventory. Parcels that were considered during this phase included:

- Churches and church parking lots (AB 1851)
- City-owned land (subject to replacement or relocation of facilities for city operations)
- Multiple sites under the same ownership
- Parking lots
- Public land (e.g. EBMUD properties)
- Underutilized commercial and mixed-use sites

Phase 2: Screening

Parcels that passed through Phase 1 were then screened using the criteria below:

- 1. The parcel does not have a current entitlement
- 2. Current use is not a right-of-way, utility, gas station, or other public use with no near-term redevelopment potential (e.g. utility sites) or support for redevelopment (e.g. parks)
- 3. Site has street access, or can be accessible through an easement by the same property owner

Phase 3: Categorization

Remaining eligible parcels were assessed to determine which income levels they can accommodate. Each parcel was determined to be able to accommodate a specific income category given its maximum allowable density standards (see Table B-5). The lower income category threshold is consistent with the default density for Piedmont pursuant to Government Code §65583.2.

Table B-5: Income Levels by Density

Density Allowed by Zone	Income Level
< 20 dwelling units/acre	Above moderate
≥ 20 dwelling units/acre, less than 0.5 acres or greater than 10 acres in size	Moderate
≥ 20 dwelling units/acre, >.05 acres and <10 acres in size	Lower
Source: LWC, HCD	

Per HCD guidance, sites accommodating lower-income housing should be between 0.5 and 10 acres. All sites originally considered lower income based on density, but whose lot size is smaller than 0.5 or larger than 10 acres were categorized for moderate or above moderate-income housing. Additionally, while there are several sites in Zone D which meet the criteria for lower income categorization, the City has assigned these sites for above moderate income housing due to the potential challenges of ensuring affordable housing as part of mixed-use projects and reduce the reliance on mixed-use areas for lower income housing. Furthermore, there are several sites in Zone A which are conservatively classified for moderate income housing because they do not meet the site size criteria for lower income. These sites could be developed for religious institution affiliated housing pursuing to AB 1851, and therefore could potentially include a greater depth of affordability than is assumed in the inventory.

Phase 4: Site-by-Site Assessment

Despite the screening analysis, some potential sites had existing development or other conditions (e.g., ownership, existing uses that were not likely to discontinue during the planning period, etc.) that preclude them from the site inventory. The analysis included multiple rounds of site-by-site assessments and refinement of sites and zoning recommendations to ensure adequate capacity. Analysis was based on additional information from direct observation or firsthand experience from City staff. For example, parcels that had development potential (i.e., no built structures, City-owned) but were used for recreation or were otherwise not preferred as housing sites were not included. Additionally, sites that had previously been excluded from the inventory were revisited subject to certain conditions, such as zoning amendments, coordinated replacement of city-facilities and operations to maintain service, or inclusion in a specific plan. (For more information on a proposed specific plan, see Section B.3.1.)

This analysis included an evaluation of environmental and infrastructure constraints, which are described in Appendix C. All identified sites have access to infrastructure and utilities, with water and sewer capacity to support proposed development. The only exception are the few lots without current street frontage, which would require an access easement across an existing parcel and lateral sewer and water extensions from the nearest street, as noted in Table B-9.

Phase 5: Parcels in Prior Housing Elements

Vacant parcels from both the 4th and 5th Cycles and non-vacant parcels from the 5th Cycle can be reused in this Housing Element (the 6th Cycle) to accommodate lower-income housing, but they must be rezoned to allow projects with at least 20 percent of the units affordable to lower income households to be by-right. While the 5th Cycle listed 58 vacant sites in Zone A and Zone E, the City did not rely on any of these vacant sites to accommodate the 5th Cycle RHNA. In the 5th Cycle, the City did rely on redevelopment of two commercial sites in Zone D, 29 Wildwood Ave and 1201 Grand Avenue, for 6 lower income units. Neither 5th Cycle site is being reused in this 6th Cycle inventory. Therefore, all 6th Cycle sites are eligible for use without limitations or rezoning with the specifications above.

B.2.5 Suitability of Nonvacant Sites

Since residential land in Piedmont is generally built out, the sites inventory includes nonvacant sites. Nonvacant sites are relied on to accommodate more than 50 percent of the City's lower income RHNA. Therefore, the City conducted an analysis to determine if substantial evidence exists to support the premise that housing can be accommodated on these sites and/or existing uses on these sites will be discontinued during the planning period (2023-2031). Nonvacant parcels primarily include underutilized sites with surface parking and commercial buildings where the existing uses are of marginal economic viability, or the structures are at or near the end of their useful life. Screening for potential sites considered market conditions and recent development trends throughout the Bay Area and the State and utilized conservative assumptions in projecting units well below observed densities for residential and mixed-use projects.

Table B-6 provides an overview of 4 nonvacant sites that can potentially accommodate lower income housing As indicated in Table B-9, all of the sites are proposed to allow 21 to 60 dwelling units per acre.

The sites listed below have a wide variety of uses including City Corporation Yard, City Hall, a church, and recreational uses. In addition to the sites needed for lower income housing, the City is also analyzing the suitability of redeveloping underutilized commercial sites in Zone D. The church site has been included, because of the opportunity for affordable housing reflected in AB 1851. AB 1851 facilitates the provision of affordable housing on religious institution property and prohibits cities from requiring the replacement of parking spaces lost due to the

construction of housing units, eliminating up to 50 percent of the required number of spaces (Government Code §65913.6).

Table B-6: Existing Uses on Lower Income Sites

APN	Address	Zone	Site Size (acres)	Existing Use	Lower Income Unit Capacity ¹
048A700200303 and 050 457906100	898 Red Rock Road and Red Rock/Moraga Avenue	В	8.99 and 1.49	Corporation Yard, Park, Corporation Yard Parking	100
050 462500103	120 Vista Ave	В	0.83	City Hall	40
051 482001118	5201 Park Blvd	Α	2.22	Church	37
050 462600100	Vista Ave/Bonita Ave	В	0.70	Tennis Courts	34
				Total	211

¹ Assumes zoning amendments consistent with Programs 1.D, 1.F, and 1.H.

Source: City of Piedmont, LWC

Development trends in the Bay Area and across the State demonstrate the intensification of underutilized properties into multi-family and high-density residential mixed-use projects. Piedmont has experience in this type of redevelopment with Piedmont Station Townhouses on Linda Avenue (a former PG&E substation site), which was completed in 2017. This project produced 7 units on 0.35 acres for a density of 20 dwelling units per acre with units selling for an average of \$1.85 million. However, redevelopment of nonvacant sites with higher densities is occurring in neighboring Oakland and provides insight on potential interest in redevelopment in Piedmont.

Table B-7 identifies nine recently developed, planned, and proposed residential projects in Oakland. Some of these projects are being constructed on relatively small sites that had existing uses, which are similar to the conditions in Piedmont. The size of the sites ranges from 0.27 to 7.5 acres and the existing uses include churches, public facilities, and commercial. By-right densities range from about 30 to over 200 dwelling units per acre. However, several of the projects in Table B-7 are within the range proposed by the City (60 du/ac - see Table B-9).

Table B-7: Development on Nonvacant Sites in Oakland

City	Address	Site Size (ac)	Previous Use	Final Unit Count	Number of Affordable Units	By-Right Density (du/ac)	Density Bonus? Y/N	Year Completed/ Status	Calculation of Built Density (du/ac)
Oakland	230 W MacArthur Blvd.	0.27	Gas Station	57	6	31	Y	Under Construction	211
Oakland	285 12th St.	0.34	Parking Lot	65	65	65	N	In Design Stage	189
Oakland	3419 San Pablo Ave.	0.35	Commercial Building and Parking Lot	60	60	55	Y	In Design Stage	171
Oakland	3300 Hawley St.	0.5	Warehouse	59	59	54	Y	Under Construction	118
Oakland	532 Union St.	0.62	Parking Lot	110	0	110	N	2021	177
Oakland	2372 Internation al Blvd.	0.63	Agnes Memorial Church (Other commercial and industrial non-historic buildings)	60	60	99	Y	Entitlements 2020	95
Oakland	115 E 15th St.	0.66	Parking Lot	92	91	63	N	2014	139
Oakland	430 Broadway	1.37	County Probation Department	150	150	198	Υ	Preliminary Concept	109
Oakland	930 84th Ave.	7.5	Pasta Factory and Public Housing	179	179	217	N	2010	24

As discussed in Section B.2.3, the City also conducted a site feasibility analyses on smaller lots (0.45 acres and 0.80 acres) that indicates the feasibility of affordable residential mixed-use development with densities up to 83 dwelling units per acre when utilizing the City's Density Bonus Ordinance. To encourage the redevelopment of nonvacant sites with higher-density residential uses, including housing affordable to lower incomes, the City has multiple programs to provide financial assistance, incentives, and regulatory concessions to facilitate more intensive residential development. These include, but aren't limited to:

- Program 1.B: Market-Rate Accessory Dwelling Units
- Program 1.D: Allow Religious Institution Affiliated Housing Development in Zone A
- Program 1.E: Require ADUs for New Single-Family Residence Construction
- Program 1.F-1.H: Increase Allowances for Housing in Zone B, C, and D
- Program 1.J: SB9 Facilitation Amendments
- Program 1.L: Specific Plan
- Program 3.D: Affordable Housing Fund
- Program 4.J: Small Lot Housing Study
- Program 4.K: Small Lot Affordable Housing Study
- Program 4.L: Allow Parking Reductions for Multi-Family, Mixed-Use, and Affordable Projects
- Program 4.M: Allow Multi-Family and Residential Mixed-Use Projects by Right Subject to Objective Standards

As described above, many of the nonvacant housing sites identified in the City have underperforming uses and/or excess capacity. Based on recent development trends throughout the Bay Area and proactive efforts on the part of the City to encourage redevelopment of nonvacant sites, these sites are likely to provide much need housing in the City of Piedmont.

Section B.3 Adequacy of Residential Sites in Meeting RHNA

Table B-8 summarizes the City's methods for satisfying its RHNA and outlines the unit capacity of the site inventory based on the density assumptions provided above (Tables B-4 and B-5). Based on ADU projections (Table B-2), entitled projects (Table B-3), and available sites (Table B-9), the City has capacity for 658 units across all income categories, resulting in a 12 percent, or 71 unit, excess over the RHNA.

Table B-8: Residential Development Potential and RHNA

	Extremely Low	Very Low	Low	Moderate	Above Moderate	Total
RHNA	See Very Low	163	94	92	238	587
ADUs	See Very Low	7	42	70	21	140
Approved/Entitled Projects	-	-	-	-	1	1
Site Inventory ^{1,2}		211 ³		81	225	517
Total Capacity		260		151	247	658
Surplus		3		59	9	71

Source: City of Piedmont, LWC

- 1. See Table B-9 for the complete inventory
- 2. See Section B.3.1 for information on the Specific Plan
- 3. For calculation purposes, extremely low, very low, and low income totals were grouped.

The scenario in Table B-8 relies on zoning amendments identified in previous sections to ensure adequate capacity for all income levels. With completion of these amendments (Program 1,D, Program 1.F, and Program 1.H), the City would have adequate capacity in all income categories, as shown in Table B-8. In addition, the City proposes programs to facilitate lot splits in single-family residential areas as allowed under Senate Bill 9 and new programs to incentivize market rate and affordable accessory dwelling units. The expected increase in new housing units under these programs is not included in the estimated development potential in single family zones or the assumptions for the number of ADUs. The City will monitor development during the 6th Cycle planning period, and will identify additional sites for housing development, if needed, to maintain availability of adequate sites.

AB 725 requires that 25 percent of a city's above moderate income RHNA and 25 percent of the city's moderate income RHNA be met on sites which accommodate 4 or more units per site. As shown in Table B-9, approximately two-thirds (166 units) of Piedmont's above moderate income RHNA (238 units) is expected to occur on multi-family or mixed-use sites or as part of a specific plan (see Section B.3.1). Similarly, over three-fourths (71 units) of the moderate income RHNA (92 units) is expected on sites accommodating 4 or more units.

B.3.1 Specific Plan

The City owns two parcels in the north eastern portion of the City. One approximately 12-acre site is currently utilized for a combination of uses such as City vehicle storage, Coaches Field (soccer/soft ball fields), a skate park, recreational parking, and temporary sales including a tree lot. Nearly 7 acres of this site is undeveloped, with a significant portion with steep grades extending north to the City limits. The site is off of Moraga Avenue at Red Rock Road. Directly to the east, along Moraga Avenue is another City-owned 1.5-acre site which is currently vacant.

These two sites provide a viable development opportunity for mixed-income residential in a variety of house forms, including single family, duplex, and multi-family types. The City proposes to prepare a specific plan (Government Code §65450 et. seq) for the area to accommodate housing needs, incorporate existing amenities, modernize current city functions for efficiency, and minimize potential impacts. The portion of the site utilized for park and recreational uses will remain and function as an integral amenity for the specific plan area, with the parking to be reconfigured as needed as part of the specific plan. The specific plan will also be designed to accommodate the City corporation vehicle storage as efficiently as possible, with the potential for some of the storage uses to be relocated off site, if needed, to ensure adequate space for intended residential development.

The two largest subareas, located and accessed from Moraga Avenue, are relatively flat and provide the greatest potential for affordable multi-family development. Utilization of the City's Density Bonus Ordinance can increase yield, reduce development constraints, and contribute to greater affordability options. The development expected north of Coaches Field with steeper topography is anticipated to be lower density and at above moderate-income prices. Grading and access will be addressed during the specific plan process.

The City proposes Program 1.L in Section IV of the Housing Element to clarify how the City will phase the project, ensure affordable housing development, and produce at least 100 units of low income housing and 22 units of above moderate income housing. The City has identified Blair Park, which is located on the south side of Moraga Avenue, as a potential alternate site for housing. Blair Park is a 3.55-acre site, with the potential for 210 units developed at 60 units per acre. If Blair Park is selected as an alternate site, the City would follow a similar process to preserve existing open space functions and integrate into a multi-family housing project.

Figure B-1 provides a preliminary conceptual plan of the potential site development and units.

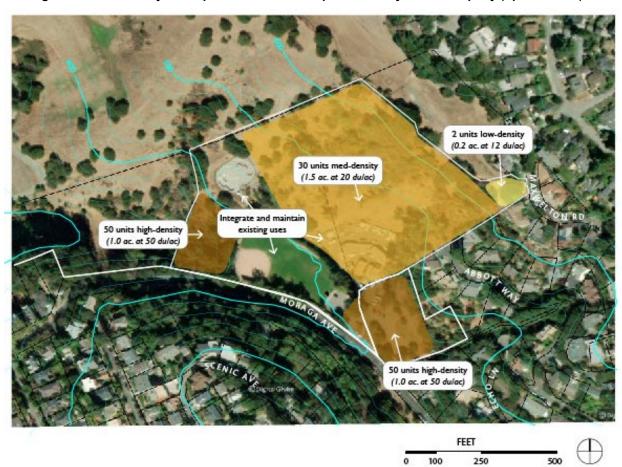


Figure B-1: Preliminary Conceptual Plan for Development on City-owned Property (Specific Plan)

B.3.2 Housing Sites Map

Figure B-2 below shows the inventory of sites by income category.

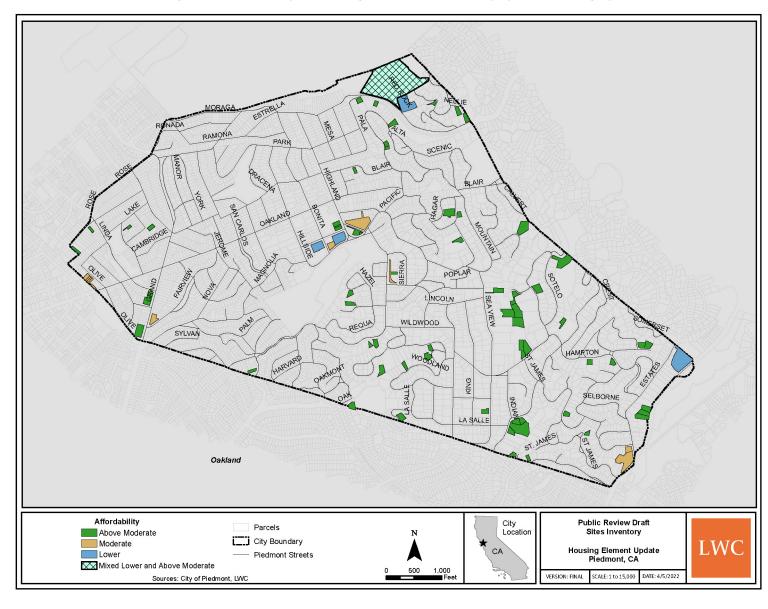


Figure B-2: Draft 6th Cycle Housing Element Site Inventory by Income Category

B.3.3 Housing Sites Table

The following table lists the parcels in the City's housing sites inventory with unit capacity by income category.

Table B-9: Draft 6th Cycle Housing Element Site Inventory by Income Category

APN	Address	Land Use	Zone	Acres	Existing Density	Proposed Density	Units Max	Units Realistic	Income	Infrastructure	In Previous Cycles?
050 086000400	1069 WINSOR AVE	Residential	А	0.19	1 unit per lot	1 unit per lot	1	1	Above Moderate		N
050 092800400	770 KINGSTON AVE	Residential	А	0.19	1 unit per lot	1 unit per lot	1	1	Above Moderate	water/sewer extension needed	N
050 092801301	KINGSTON AVE	Residential	А	0.12	1 unit per lot	1 unit per lot	1	1	Above Moderate		N
050 455001500	HOWARD AVE	Residential	А	0.11	1 unit per lot	1 unit per lot	1	1	Above Moderate		N
050 455104100	NACE AVE	Residential	Α	0.21	1 unit per lot	1 unit per lot	1	1	Above Moderate		N
050 457100101	MORAGA AVE at Pala	Residential	Α	0.21	1 unit per lot	1 unit per lot	1	1	Above Moderate		N
050 457902001	MORAGA AVE owned by 261 Scenic	Residential	А	0.15	1 unit per lot	1 unit per lot	1	1	Above Moderate		N
050 457903300	1 Maxwelton Road	Residential	А	0.26	1 unit per lot	1 unit per lot	1	1	Above Moderate	water/sewer extension needed	N
050 457904300	14 NELLIE AVE	Residential	Α	0.27	1 unit per lot	1 unit per lot	1	1	Above Moderate		N
050 457905601	1 ABBOTT WAY	Residential	Α	0.13	1 unit per lot	1 unit per lot	1	1	Above Moderate		N
050 460101802	156 SCENIC AVE	Residential	А	0.09	1 unit per lot	1 unit per lot	1	1	Above Moderate		N
050 460102003	162 SCENIC AVE	Residential	Α	0.16	1 unit per lot	1 unit per lot	1	1	Above Moderate		N
050 460104400	279 SCENIC AVE	Residential	А	0.29	1 unit per lot	1 unit per lot	1	1	Above Moderate		N
050 462104601	538 BLAIR AVE	Residential	А	0.13	1 unit per lot	1 unit per lot	1	1	Above Moderate		N
051 466801934	REQUA PL	Residential	А	0.26	1 unit per lot	1 unit per lot	1	1	Above Moderate		N
051 467603400	148 HAZEL LN	Residential	А	0.21	1 unit per lot	1 unit per lot	1	1	Above Moderate		N
051 469301000	780 HIGHLAND AVE	Residential	А	0.11	1 unit per lot	1 unit per lot	1	1	Above Moderate		N
051 469900902	551 MOUNTAIN AVE	Residential	Α	0.17	1 unit per lot	1 unit per lot	1	1	Above Moderate		N

Table B-9: Draft 6th Cycle Housing Element Site Inventory by Income Category

				•	· ·	•	•	0,			
APN	Address	Land Use	Zone	Acres	Existing Density	Proposed Density	Units Max	Units Realistic	Income	Infrastructure	In Previous Cycles?
051 470000500	415 PACIFIC AVE	Residential	А	0.60	1 unit per lot	1 unit per lot	1	1	Above Moderate		N
051 471302300	14 LITTLEWOOD DR	Residential	А	0.83	1 unit per lot	1 unit per lot	1	1	Above Moderate		N
051 473200400	117 WOODLAND WAY	Residential	A	0.20	1 unit per lot	1 unit per lot	1	1	Above Moderate		N
051 473300702	WILDWOOD GARDENS	Residential	А	0.17	1 unit per lot	1 unit per lot	1	1	Above Moderate		N
051 473301800	WISTARIA WAY	Residential	Α	0.32	1 unit per lot	1 unit per lot	1	1	Above Moderate		N
051 473600202	85 WILDWOOD GARDENS	Residential	А	0.37	1 unit per lot	1 unit per lot	1	1	Above Moderate	water/sewer extension needed	N
051 473602301	370 WILDWOOD AVE	Residential	А	0.11	1 unit per lot	1 unit per lot	1	1	Above Moderate		N
051 473602307	WILDWOOD AVE	Residential	Α	0.27	1 unit per lot	1 unit per lot	1	1	Above Moderate		N
051 473902100	OAK RD	Residential	Α	0.31	1 unit per lot	1 unit per lot	1	1	Above Moderate		N
051 474502907	PORTAL AVE	Residential	Α	0.31	1 unit per lot	1 unit per lot	1	1	Above Moderate		N
051 478600800	62 FARRAGUT AVE	Residential	Α	0.24	1 unit per lot	1 unit per lot	1	1	Above Moderate		N
051 479100203	LA SALLE AVE	Residential	Α	0.27	1 unit per lot	1 unit per lot	1	1	Above Moderate		N
051 479100206	280 INDIAN RD	Residential	А	1.41	1 unit per lot	1 unit per lot	4	4	Above Moderate	water/sewer extension needed	N
051 479101200	280 INDIAN RD	Residential	Α	0.28	1 unit per lot	1 unit per lot	1	1	Above Moderate		N
051 479101300	280 INDIAN RD	Residential	Α	0.23	1 unit per lot	1 unit per lot	1	1	Above Moderate		N
051 480303700	403 HAMPTON RD	Residential	Α	0.23	1 unit per lot	1 unit per lot	1	1	Above Moderate		N
051 480901002	50 ST JAMES PL	Residential	Α	0.14	1 unit per lot	1 unit per lot	1	1	Above Moderate		N

Table B-9: Draft 6th Cycle Housing Element Site Inventory by Income Category

APN	Address	Land Use	Zone	Acres	Existing Density	Proposed Density	Units Max	Units Realistic	Income	Infrastructure	In Previous Cycles?
051 480901900	22 VALANT PL	Residential	А	0.19	1 unit per lot	1 unit per lot	1	1	Above Moderate		N
051 481302200	ST JAMES DR	Residential	Α	0.14	1 unit per lot	1 unit per lot	1	1	Above Moderate		N
051 481801600	111 SANDRINGHAM RD	Residential	А	0.21	1 unit per lot	1 unit per lot	1	1	Above Moderate		N
051 481900100	490 HAMPTON RD	Residential	А	0.20	1 unit per lot	1 unit per lot	1	1	Above Moderate		N
051 481902000	440 HAMPTON RD	Residential	А	0.20	1 unit per lot	1 unit per lot	1	1	Above Moderate		N
051 482003300	PARK BLVD	Residential	А	0.37	1 unit per lot	1 unit per lot	1	1	Above Moderate		N
051 482003500	PARK BLVD	Residential	Α	0.37	1 unit per lot	1 unit per lot	1	1	Above Moderate		N
051 482003700	PARK BLVD	Residential	А	0.46	1 unit per lot	1 unit per lot	1	1	Above Moderate		N
051 482600600	HUNTLEIGH RD	Residential	А	0.32	1 unit per lot	1 unit per lot	1	1	Above Moderate		N
051 482600700	145 LEXFORD RD	Residential	А	0.30	1 unit per lot	1 unit per lot	1	1	Above Moderate		N
051 470104603	43 BELLEVUE AVE	Residential	Е	0.26	1 unit per lot	1 unit per lot	1	1	Above Moderate		N
051 472800104	26 SEA VIEW AVE	Residential	E	0.39	1 unit per lot	1 unit per lot	1	1	Above Moderate	water/sewer extension needed	N
051 472800401	26 SEA VIEW AVE	Residential	Е	0.71	1 unit per lot	1 unit per lot	1	1	Above Moderate	water/sewer extension needed	N
051 472800502	GLEN ALPINE RD	Residential	Е	0.71	1 unit per lot	1 unit per lot	1	1	Above Moderate	water/sewer extension needed	N
051 472800503	GLEN ALPINE RD	Residential	Е	0.13	1 unit per lot	1 unit per lot	1	1	Above Moderate	water/sewer extension needed	N
051 472800604	74 SEA VIEW AVE	Residential	Е	0.75	1 unit per lot	1 unit per lot	1	1	Above Moderate	water/sewer extension needed	N

Table B-9: Draft 6th Cycle Housing Element Site Inventory by Income Category

APN	Address	Land Use	Zone	Acres	Existing Density	Proposed Density	Units Max	Units Realistic	Income	Infrastructure	In Previous
054 472002000	5 HAMPTON	Desidential	E	0.55		,		1	Above		Cycles?
051 472802000	RD	Residential	E	0.55	1 unit per lot	1 unit per lot	1	1	Moderate		N
051 472802100	5 HAMPTON RD	Residential	E	0.53	1 unit per lot	1 unit per lot	1	1	Above Moderate		N
051 480201300	17 GLEN ALPINE RD	Residential	Е	0.47	1 unit per lot	1 unit per lot	1	1	Above Moderate		N
051 480201600	INDIAN GULCH RD	Residential	Е	0.26	1 unit per lot	1 unit per lot	1	1	Above Moderate		N
051 480300101	70 SOTELO AVE	Residential	Е	1.06	1 unit per lot	1 unit per lot	1	1	Above Moderate		N
048A700200303	898 RED ROCK RD	Corporation Yard	В	11.90	5 du/ac	TBD/SP	0	32	Above Moderate		N
050 455701501	1221 GRAND AVE	mixed use	D	0.65	20 du/ac	80 du/ac	52	42	Above Moderate		N
050 455801502	1337 GRAND AVE	mixed use	D	0.63	20 du/ac	80 du/ac	50	40	Above Moderate		N
050 462300500	356 HIGHLAND AVE (terrace)	mixed use	D	0.04	20 du/ac	80 du/ac	4	4	Above Moderate		N
050 462300602	356 HIGHLAND AVE	mixed use	D	0.28	20 du/ac	80 du/ac	22	18	Above Moderate		N
050 462401000	333 HIGHLAND AVE	mixed use	D	0.22	20 du/ac	80 du/ac	18	14	Above Moderate		N
050 462401100	333 HIGHLAND AVE	mixed use	D	0.07	20 du/ac	80 du/ac	6	6	Above Moderate		N
050 462401200	345 HIGHLAND AVE	mixed use	D	0.15	20 du/ac	80 du/ac	12	10	Above Moderate		N
Subtotal Above Moderate								225			
051 482001118	5201 PARK BLVD	residential - house of worship	А	2.22	1 unit per lot	21 du/ac	46.6	37	Lower		N
048A700200303	898 RED ROCK RD	Corporation Yard	В	11.90	5 du/ac	TBD/SP	0	50	Lower		N
050 457906100	643 MORAGA AVE	Corporation Yard	В	1.50	5 du/ac	TBD/SP	0	50	Lower		N
050 462500103	120 VISTA AVE	Public	В	0.83	5 du/ac	60 du/ac	50	40	Lower		N
050 462600100	VISTA AVE	Public	В	0.70	5 du/ac	60 du/ac	42	34	Lower		N
Subtotal Lower								211			

Table B-9: Draft 6th Cycle Housing Element Site Inventory by Income Category

APN	Address	Land Use	Zone	Acres	Existing Density	Proposed Density	Units Max	Units Realistic	Income	Infrastructure	In Previous Cycles?
050 092700403	OLIVE AVE	residential - house of worship	А	0.16	1 unit per lot	21 du/ac	3	3	Moderate		N
050 092700500	OLIVE AVE	residential - house of worship	А	0.08	1 unit per lot	21 du/ac	2	2	Moderate		N
050 092700600	OLIVE AVE	residential - house of worship	А	0.08	1 unit per lot	21 du/ac	2	2	Moderate		N
050 092700700	OLIVE AVE	residential - house of worship	А	0.08	1 unit per lot	21 du/ac	2	2	Moderate		N
050 092701300	OAKLAND AVE	residential - house of worship	А	0.08	1 unit per lot	21 du/ac	2	1	Moderate		N
050 462300400	400 HIGHLAND AVE	residential - house of worship	А	1.50	1 unit per lot	21 du/ac	31	25	Moderate		N
051 463603500	1300 GRAND AVE	residential - house of worship	А	0.40	1 unit per lot	21 du/ac	8	7	Moderate		N
051 481201110	4925 PARK BLVD	residential - house of worship	А	1.49	1 unit per lot	21 du/ac	31	25	Moderate		N
051 481201700	SANDRINGHAM RD	residential - house of worship	А	0.27	1 unit per lot	21 du/ac	6	4	Moderate		N
050 462500301	801 MAGNOLIA AVE	Public	В	0.31	5 du/ac	21 du/ac	7	5	Moderate		N
051 469301300	HIGHLAND AVE	Park	В	0.32	5 du/ac	21 du/ac	7	5	Moderate		N
Subtotal Moderate							81				
Total Inventory							517				

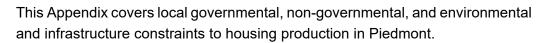
Appendix C: Housing Constraints

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Section C.1 Introduction

C.1.1 Introduction







C.1.2 Summary

City policies and regulations, such as the Zoning Ordinance, and market factors outside of the City's control affect the quantity and type of residential development that occurs in Piedmont. The following summarizes key governmental and nongovernmental constraints to housing development as detailed in this Appendix.

Governmental Constraints

- Piedmont is considerably built-out, with few vacant parcels available and suitable for higher density residential development. The City will conduct further study to understand viability of multi-family and/or affordable housing development on small lots or develop a program to help facilitate the consolidation of land to realize the potential in areas designated for multi-family.
- Subjective design guidelines and findings for approval, while not temporarily applicable to
 multi-family projects due to State law (SB 330), could result in uncertainty for developers
 and a longer permit review process in the future. The City is currently preparing objective
 design standards for multi-family and residential mixed-use projects to comply with SB330
 as well as SB35.
- Certain zoning provisions will need to be updated to comply with State law, including allowing Low Barrier Navigation Centers by-right in residential zones (AB 101), allowing

qualifying transitional and supportive housing by-right in residential zones (AB 2162), allowing employee housing for six or fewer employees by-right in residential zones which allow single-family uses, allowing manufactured homes in residential zones as a primary structure, permitting residential care facilities for six or fewer persons by-right in residential zones, and including regulations for the provision of housing types designed for persons with disabilities.

• Piedmont's City Charter requires a majority of voters to approve the reduction, enlargement, or reclassification of zones in a general or special election. However, the City can update the zoning text, including residential density increases and development regulations, if consistent with the intent of the land use classification of the General Plan, through legislative action by the City Council. The contours of the ability to modify the City Code in this regard will need to be further established by the City Attorney's office.

Nongovernmental Constraints

- Economic conditions in Piedmont reflect a competitive housing market for both for-sale and rental housing.
- Piedmont has little undeveloped land available, so future housing development will be constrained by existing development or require demolishing existing structures, improvements, and uses. The shortage of available vacant land may constrain housing production due to the increased costs associated with redevelopment.

Section C.2 Governmental Constraints

C.2.1 Introduction

Local policies and regulations can affect the quantity and type of residential development. Since governmental actions can constrain the development and the affordability of housing, State law requires the housing element to "address and, where appropriate and legally possible, remove governmental constraints to the maintenance, improvement, and development of housing" (Government Code § 65583(c)(3)).

As with other cities, Piedmont's development standards and requirements are intended to protect the long-term health, safety, and welfare of the community. The City charges fees and has various procedures and regulations developers are required to follow. There are many locally imposed land use and building requirements that can affect the type, appearance, and cost of housing built in Piedmont. These local requirements include zoning standards, development processing procedures, development fees, and design guidelines and standards. Other building and design requirements imposed by Piedmont follow state laws, the California Building Code, Subdivision Map Act, energy conservation requirements, etc. In addition to a review of these policies and

regulations, an analysis of the governmental constraints on housing production for persons with disabilities is included in this Section.

C.2.2 Land Use Controls

This section provides an overview of the City's land use controls and their relation to the City's housing supply.

C.2.2.1 General Plan Land Use Designations

The City adopted the 2025 General Plan in 2009. The Land Use Element of the General Plan directs the location and form of future development in the City.

The General Plan includes five land use designations that allow residential development at a variety of densities (see Table C-1). Density is used for residential land use designations and is described in terms of dwelling units per net acre of land (du/acre). For primarily non-residential designations, intensity is used, expressed as the floor area ratio (FAR) of total gross floor area of all buildings on a lot and the total land area of that lot (e.g., a single-story building that covers half of the lot would have an FAR of 0.50:1).

Table C-1: City General Plan Residential Land Use Designations

General Plan Designation	Allowable Density/Intensity	Description
Estate Residential	1-2 units/acre	The Estate Residential land use category designates areas suitable for large homes developed at densities of one to two units per gross acre.
Low- Density Residential	3-8 units/acre	Low-Density Residential is the predominant General Plan designation in Piedmont, applying to about 75 percent of the City. The designation denotes areas developed at densities ranging from three to eight units per gross acre.
Medium- Density Residential	9-20 units/acre	The Medium-Density Residential designation provides for the development of multi-family housing and accessory structures that are harmonious with the character of existing development.
Mixed-Use	Up to 20 units/acre, or Floor Area Ratio of 0.75	The Mixed-Use designation includes the City's commercial properties, as well as a handful of existing residences that are zoned for commercial use. Projects which are entirely commercial are permitted in these areas, subject to a maximum FAR of 0.75. Projects which include multi-family residential uses are encouraged but are only permitted when combined with ground floor commercial uses; densities in such projects may not exceed 20 units per acre.
Public Facilities	Floor Area Ratio of 0.75	The Public Facilities designation applies to public schools and municipal facilities, including City Hall, the Corporation Yard, and the Veterans Building. It has been applied only to land owned by the City of Piedmont and the Piedmont Unified School District. Although the maximum FAR is 0.75, the actual FAR on most parcels with this designation is considerably lower.

Source: City of Piedmont General Plan (2009)

The City is considerably built-out, with few vacant parcels available and suitable for residential development. While the City's General Plan identifies a range of land uses, including categories for multi-family and mixed-use, the limited amount of land area designated for the provision of multi-family housing or mixed-use is a constraint to housing development in the City. Though the Medium-Density Residential and Mixed-Use designations allow for a moderate amount of density, the number and size of parcels with this designation are limited to the commercial district along Grand Avenue between Linda and Wildwood Avenues, as well as the Piedmont Civic Center. As reported in the Land Use Element, single-family residential makes up just over 68 percent of the City's land uses, with only 3.7 percent designated for both multi-family residential and commercial.

The Grand Avenue and Oakland Avenue corridors in the City's western half are the area's most amenable to denser housing production. Lower elevations and proximity to neighboring Oakland present an opportunity for a transitional zone between the mixed-use commercial pattern of the Grand Lake and Piedmont Avenue neighborhoods and the larger lots of the City's "uphill" area. However, the majority of Piedmont's smallest lots (between 4,000-6,999 square feet) are concentrated in the City's western half. The City should conduct further study to understand viability of multi-family and/or affordable housing development on small lots, or develop a program to help facilitate the consolidation of land to realize the potential in this area, see Programs 4.J and 4.K.

C.2.2.2 Zoning Districts

The Zoning Ordinance is Chapter 17 of the Piedmont City Code (PCC), officially titled Planning and Land Use. The Zoning Ordinance and Zoning Map are available on the City's website consistent with Government Code §65940.1(a)(1)(B). This Section analyzes the Zoning Ordinance and the zones that allow residential development. The City has five zoning categories, all of which allow residential uses in some capacity. Table C-2 lists the zones that allow residential development with a description of each.

Table C-2: Zones that Allow Residential Development

Zone	Description					
	Zone A is established for single-family residential use. The intent is to:					
	 Preserve, protect, and enhance Piedmont's residential character, protecting the quiet, family atmosphere of neighborhoods. 					
Zone A: Single-family	 Protect residents from the harmful effects of excessive noise, light deprivation, intrusions on privacy, overcrowding, excessive traffic, insufficient parking, blockage of significant views, and other adverse environmental impacts. 					
residential	Maintain openness and areas of vegetation between residences to enhance a healthy environment.					
	Achieve design compatibility between additions, remodeling, and other new construction by establishing development standards.					
	Minimize the out-of-scale appearance of large homes, parking areas, and other development relative to the lot size and to other homes in a neighborhood.					
Zone B: Public facilities	Zone B is established to regulate and control development of public facilities that are compatible with the character of surrounding uses.					

Table C-2: Zones that Allow Residential Development

Zone	Description				
Zone C: Multi-family residential	Zone C is established to regulate and control residential development, including some multi-family dwellings, in harmony with the character of the neighborhood.				
Zone D: Commercial and mixed-use commercial/residential	Zone D is established to regulate and control commercial and mixed-use commercial/residential development, where pedestrian-oriented commercial development will serve City residents, consistent and in harmony with the character of the neighborhood and adjacent residential areas.				
Zone E: Single-family residential estate	Zone E is established for estate residential homes, which tend to be larger lots. The other purposes set forth for Zone A also apply to Zone E.				

Source: City of Piedmont City Code, Chapter 17 (Planning & Land Use)

C.2.2.3 Development Standards

Development standards can constrain new residential development if the standards make it economically unfeasible or physically impractical to develop a particular lot, or when it is difficult to find suitable parcels to accommodate development meeting the criteria for building form, massing, height, and density in a particular zoning district.

Through its Zoning Ordinance, the City enforces minimum site development standards for new residential uses. Table C-3 summarizes the basic standards for the City's zoning districts that allow residential development.

Table C-3: Development Standards in Zones that Allow Residential Development

Zoning District	Min. Lot Area	FAR (max) /Density	Max. Lot Coverage	Max. Height (ft.)	Min. Frontage (ft.)	Min. Setbacks (ft.)		
	(sq.ft.)					Front	Side	Rear
Zone A: Single- family residential	8,000	<5,000 sq.ft 55% 5,001-10,000 sq.ft 50% >10,000 sq.ft 45%	40%	35	60	20	5	5
Zone B: Public facilities	All as set forth for Zone A. See section 17.20.04 0.							
Zone C: Multi-family residential	10,000	<5,000 sq.ft 55% 5,001-10,000 sq.ft 50% >10,000 sq.ft 45% Multi-family	50%	35	90	20	5	5

Table C-3: Development Standards in Zones that Allow Residential Development

Zoning District		Min. Lot Area	FAR (max)		Max.	Min. Frontage	Min. Setbacks (ft.)		
		Area /Density (sq.ft.)		Coverage	Height (ft.)	(ft.)	Front	Side	Rear
			dwellings: min. 12 units/acre, max. 21 units/acre						
Zone D: Commerci al and mixed-use	Civic Center	-	Multi-family dwellings: max. 21 units/acre	1	40 (3 stories)		_	-	If abutting single- family residence: 5
	Grand Avenue				35 (3 stories) 25 ft. max. within 10 ft. from adjacent single- family		Along Wildwood/Sunn yside/Linda Ave.: 10 from lot line Along Grand Ave.: 15 from curb or 3 from lot line, whichever is greater		5
Zone E: family res esta	idential	20,000	<5,000 sq.ft 55% 5,001-10,000 sq.ft 50% >10,000 sq.ft 45%	50%	35	120	20	20	20

Source: City of Piedmont City Code, Chapter 17 (Planning & Land Use)

Parking Requirements

Required parking spaces in residential zoning districts are shown in Table C-4. The City does not provide provisions for reducing parking rates. The City also prohibits the reduction of or elimination of existing parking, unless associated with an Accessory Dwelling unit, is unusable or replaced, or is approved as part of a variance request.

Table C-4: Residential Parking Rates

Residential Use	Required Number of Spaces						
Single family residential (all zones)							
Accessory dwelling unit	01						
Dwelling unit 700 sq.ft. or less	1						
Dwelling unit greater than 700 sq.ft.							
1-4 bedrooms	2						
5-6 bedrooms	3						
7+ bedrooms	4						
Multi-family residential (Zone C)							
Accessory dwelling unit	01						
Dwelling unit 700 sq.ft. or less	1						
Dwelling unit greater than 700 sq.ft.	1.5						
Mixed-use residential/commercial (Zone D)							
Accessory dwelling unit	01						
Studio or 1 bedroom	1						
2 bedrooms	1.5						
3+ bedrooms	2						

¹ Under Government Code section 65852.2, the City may not require parking for an accessory dwelling unit located within 1/2 mile of public transit. Piedmont's ordinance establishes no parking requirement for accessory dwelling units..

Source: City of Piedmont City Code, Division 17.30 (Parking)

Development Standards Analysis

Piedmont's basic development standards are generally not a constraint to housing development. Large-lot, single-family residential zoning districts (Zones A and E) cover the vast majority of residential land area in the City, with minimum lot sizes, setback minimums, etc. generally appropriate to single-family residential neighborhoods. Zone C (Multi-Family Residential) and Zone D (Commercial and Mixed-Use) allow for higher densities and reduced setbacks but cover only a handful of lots primarily along the Grand Avenue corridor and in the Civic Center. Both Zone C and Zone D have three-story maximum height limitations, which may affect project feasibility given the impact of other cumulative standards, such as maximum density, maximum lot coverage, and parking requirements. To help reduce constraints, the City proposes Programs

1.G and 1.H to increase maximum density for multi-family and Program 4.L to allow for parking reductions for certain multi-family, mixed-use, and affordable projects.

C.2.2.4 Provisions for a Variety of Housing

The City has adopted provisions in the Zoning Ordinance that facilitate a range of residential product types. Table C-5 provides a list of housing types and the zoning districts in which they are allowed, require a conditional use permit, or are not allowed. Housing types not mentioned in the Zoning Ordinance but regulated by various State provisions are also included in the table below.

Table C-5: House Types Permitted by Zoning District

	Zoning Districts								
Residential Type	Zone A: Single- family residential	Zone B: Public facilities	Zone C: Multi- family residential	Zone D: Commercial and mixed-use	Zone E: Single- family residential estate				
Single-family dwelling	Р	Р	Р	Р	Р				
Accessory dwelling unit	Р	Р	Р	Р	Р				
Multi-family dwelling	-	_	Р	-	-				
Mixed-use commercial/residential	-	-	_	C ¹	-				
Emergency shelter, supportive housing, or transitional housing	-	Р	_	1	-				
Small and large family day care	Р	-	-	С	Р				
Rented room/Short- Term Rental ²	Р	-	_	-	Р				
Residential care facility/group home (≤6)	-	-	-	-	-				

P = Permitted

Source: City of Piedmont City Code, Chapter 17 (Planning & Land Use)

C = Conditionally Permitted

⁼ Not Permitted

¹ Mixed-use commercial and residential developments must have both: (1) ground floor retail, office, or service commercial uses to primarily serve City residents. Ground floor residential use is not permitted, except for an entry to the upper floor(s); and (2) multi-family residences above the ground floor of not more than 20 units per net acre. When affordable housing is provided, the Planning Commission will grant a density bonus in accordance with Government Code section 65915.

² Rented room subject to section 17.40.020 and short-term rental subject to a short-term rental permit in Section 17.40.030.

Accessory Dwelling Units (ADUs)

Zoning Ordinance Division 17.38 (Accessory Dwelling Units) provides supplemental standards for ADUs and Junior ADUs. These standards were adopted February 2020 to reflect current State law. The City allows ADUs to be rented to a tenant pursuant to State law, provided an annual business tax for rental property is paid and the unit is rented in accordance with any rent restrictions under the conditions of approval and recorded declaration(s). Short-term rentals of ADUs for less than 30 days is prohibited. The City is currently in the process of analyzing any limitations of the legally compliant ADU Ordinance, developing incentives for construction of deed-restricted affordable ADUs, and developing pre-approved prototype plans to help streamline and facilitate ADU production. (see Programs 1.C., 1.E., 3.B., 3.C., 3.D., 3.E., 3.F., 5.H., and 5.I)

Applicants may request an exception to unit size requirements, subject to the following requirements:

- For ADUs with one bedroom or less:
 - Expansion of up to 1,000 square feet requires the imposition of covenants which keep rent affordable to low-income households.
 - Expansion of up to 1,200 square feet requires the imposition of covenants which keep rent affordable to very low-income households.
- For ADUs with more than one bedroom:
 - Expansion of up to 1,200 square feet requires the imposition of covenants which keep rent affordable to very low-income households.

Multi-Family

Multi-family dwellings are permitted by-right in Zone C on properties that meet the site development standards described in Table C-3. Multi-family dwellings are permitted with a conditional use permit as part of mixed-use commercial/residential development in Zone D, but are limited to upper-stories, with retail, office, or service commercial uses required on the ground floor.

The City is currently undergoing a study to develop recommendations for objective design standards for multi-family and residential mixed-use projects, with the intent of reducing level of review and allowing multi-family and residential mixed-use by-right, subject to the objective standards. See Program 4.M.

Emergency Shelters/Low Barrier Navigation Centers

Health and Safety Code §50801 defines emergency housing as housing with minimal supportive services for homeless persons that is limited to occupancy of six months or less. The City permits emergency shelter in Zone B as part of a collective use designation that includes transitional housing and supportive housing (discussed below). There is vacant land in Zone B which can accommodate an emergency shelter While the State allows cities to impose specified standards to enhance the compatibility of emergency shelters, the City has not adopted explicit standards

addressing operational and design criteria consistent with Government Code §65583(a)(4), which provides guidance on what such standards could address. The Housing Element includes Program 4.T to establish standards for emergency shelters.

Additionally, the City's Zoning Code does not specifically address Low Barrier Navigation Centers pursuant to AB 101 (Government Code §65660 et seq.). Low Barrier Navigation Centers are Housing First, low-barrier, service-enriched shelters focused on moving people into permanent housing that provides temporary living facilities while case managers connect individuals experiencing homelessness to income, public benefits, health services, shelter, and housing. Low Barrier Navigation Centers must be allowed by-right in all residential zones, areas zoned for mixed-uses, and nonresidential zones permitting multi-family uses. The City includes Program 4.O to amend the Zoning Ordinance to allow Low Barrier Navigation Centers in all zones that allow residential and mixed-use.

Transitional Housing and Supportive Housing

In addition to emergency shelters, transitional housing is a type of housing used to further facilitate the movement of homeless individuals and families to permanent housing. It can serve those who are transitioning from rehabilitation or other types of temporary living situations (e.g., domestic violence shelters, group homes, etc.). Transitional housing can take several forms, including group quarters with beds, single-family homes, and multi-family apartments, and typically offers case management and support services to return people to independent living (usually between six and 24 months). Transitional housing is defined in Government Code §65582(j) as buildings configured as rental housing development but operated under program requirements that call for the termination of assistance and recirculation of the assisted unit to another eligible program recipient at some predetermined future point in time, which shall be no less than six months.

Supportive housing is defined in Government Code §65582(g) as housing with no limit on length of stay, that is occupied by the target population, and that is linked to an on-site or off-site service that assists the supportive housing resident in retaining the housing, improving his or her health status, and maximizing his or her ability to live and, when possible, work in the community.

Transitional and supportive housing must be allowed in all zones that allow residential uses and subject to the same development standards that apply to other residential uses of a similar type within these zones. Furthermore, AB 2162 (Government Code §65650-65656) requires supportive housing to be allowed by-right in zones where multi-family and mixed-uses are permitted, including nonresidential zones that allow multi-family uses, if the proposed development meets certain criteria (e.g., deed restricted for 55 years to lower income households, serving "target population" of homeless individuals, minimum area dedicated for supportive services, etc.).

The City currently allows transitional and supportive housing only in Zone B as part of a collective use designation that includes emergency shelters. The Housing Element includes Program 4.N to amend the Zoning Ordinance to permit transitional and supportive housing uses by-right in all zones which allow residential uses, subject to the same standards of similar dwellings.

Employee Housing

The City does not currently allow employee housing (also called farmworker housing) in any zoning districts. Health and Safety Code §17021.5 requires that employee housing providing accommodations for six or fewer employees shall be deemed a single-family structure and allowed by-right in residential zones which allow single-family uses.

The 5th Cycle Housing Element Update included Program 4H (Health and Safety Code §17021.5 Compliance) to amend the Municipal Code to ensure compliance with the employee housing provisions of California Health and Safety Code §17021.5. This program was not completed and will be carried forward as Program 4.I.

Single-Room Occupancy (SRO)

Single-Room Occupancy (SRO) units are one of the most traditional forms of affordable private housing for lower income individuals, including seniors, and persons with disabilities. An SRO unit is usually small, between 80 and 250 square feet. These units provide a valuable source of affordable housing and can serve as an entry point into the housing market for formerly homeless people.

The 5th Cycle Housing Element Update included Program 5.I (Second Units for Extremely Low-Income Households) to explore ways to expand the City's inventory of housing affordable to extremely low-income households, including SRO hotels. This program did not result in the addition of standards related to SROs in the Zoning Ordinance and will be carried forward and expanded to include analysis of micro-unit projects which may function similar to SROs. See Program 5.H.

Manufactured and Mobile Homes

Though the City does not contain existing mobile home parks, mobile and manufactured homes can be an important source of housing choice and affordability. As manufactured homes that meet certain requirements must be permitted in mobile home parks and are frequently regulated by jurisdictions together, they are discussed here jointly.

Government Code §65852.3 requires cities to allow and permit manufactured and mobile homes on a permanent foundation in the same manner and in the same zone as a conventional stick-built structure, subject to the same development standards that a conventional single-family home on the same lot would be subject to. The sole reference to manufactured homes in the Zoning Ordinance is located in Chapter 17.38 (Accessory Dwelling Units), where manufactured homes are identified as being included in the definition of an ADU.

The 5th Cycle Housing Element Update carried forward a 4th Cycle recommendation, Policy 1.8 (Mobile and Manufactured Housing), to allow mobile and manufactured housing on all lots in the City subject to design standards which ensure that such housing is compatible in character with the community. To ensure compliance with State law and allowance of manufactured homes in single-family zones as a primary structure, the Housing Element includes Program 1.M.

Residential Care Facilities

State law requires local governments to treat licensed residential care facilities (sometimes called group homes) with six or fewer residents as a residential use and subject to the same development standards as a single-family dwelling. Furthermore, no conditional use permit, zoning variance, or other zoning clearance shall be required of a residential facility that serves six or fewer persons that is not required of a family dwelling of the same type in the same zone. The residents and operators of a residential care facility shall be considered a family for the purposes of any law or zoning ordinance that relates to the residential use of property. However, "six or fewer persons" does not include the operator, operator's family, or persons employed as staff.

The City does not define or allow residential care facilities in the Zoning Ordinance. To comply with State law, the City adds Program 4.P, to amend the Zoning Ordinance to permit residential care facilities for six or fewer persons byright in all zones which allow residential uses and consider provisions for care facilities for seven or more persons.

C.2.2.5 Housing for Persons with Disabilities

Persons with disabilities normally have certain housing needs that include accessibility of dwelling units, access to transportation, employment, and commercial services; and alternative living arrangements that include on-site or nearby supportive services. The Lanterman Developmental Disabilities Services Act of the California Welfare and Institutions Code (§5115 and §5116) declares that persons with mental and/or physical disabilities to live in conventional residential surroundings. This classification includes facilities that are licensed by the State of California to provide permanent living accommodations and 24-hour primarily non-medical care and supervision for persons in need of personal services, supervision, protection, or assistance for sustaining the activities of daily living. It also includes hospices, nursing homes, convalescent facilities, and group homes for minors, persons with disabilities, and people in recovery from alcohol or drug addictions.

The City ensures that new housing developments comply with California building standards (Title 24 of the California Code of Regulations and the Americans with Disabilities Act (ADA)) and federal requirements for accessibility. The City's definition of family includes unrelated individuals living as a single unit and does not unnecessarily constrain living configurations conducive to persons with disabilities. However, the Zoning Ordinance does not define or contain regulations for the provision of housing types designed for persons with disabilities (See Residential Care Facilities, above). Also, as noted above, there are no parking reductions for housing types for persons with disabilities. See Program 4.Q, which recommends amending the Zoning Ordinance to include parking reductions for housing for persons with disabilities, seniors, and other housing types which may not require the standard number of spaces.

Reasonable Accommodation

Both the federal Fair Housing Act and the California Fair Employment and Housing Act direct local governments to make reasonable accommodations (i.e., modifications or exceptions) in their zoning laws and other land use regulations when such accommodations may be necessary to afford persons with disabilities an equal opportunity to use and enjoy a dwelling. For example, it may be reasonable to accommodate requests from persons with disabilities to waive a setback requirement or other standard of the Zoning Ordinance to ensure that homes are accessible for the mobility impaired. Whether a particular modification is reasonable depends on the circumstances.

City Code Division 17.76 (Reasonable Accommodation) establishes a formal procedure for individuals with disabilities seeking equal access to housing to request a reasonable accommodation and criteria to be used when considering such requests. The Code allows a reasonable accommodation request to be made by any person with a disability (or their authorized representative) when the application of a zoning law or other land use regulation, policy, or practice acts as a barrier to fair housing opportunities.

Required findings for a reasonable accommodation include confirmation that the housing will be used by an individual with a disability, that the accommodation is necessary, that the accommodation would not impose an undue burden on the City, and that the accommodation would not fundamentally alter the nature of a City program or law.

The Planning Director has the authority to review and decide upon requests for reasonable accommodation, with review from the Planning Commission when an application involves a variance or other land use entitlement (or when referred by the Director). Appeals are made to the Planning Commission or City Council.

C.2.2.6 Incentives for Affordable Housing

The City provides for the development of affordable housing for lower-income households by cross-referencing to the State's density bonus law (Government Code §65915 et seq.) in Division 17.24 (Zone C: Multi-Family Residential). It is the responsibility of the Planning Commission to grant density bonuses to projects that meet State requirements. With the passage of AB 2345 in 2020, the allowed density bonus for qualifying projects ranges from five to 50 percent. Other incentives include:

- A multi-family residential project that incorporates affordable units is eligible for a 20 percent reduction in planning application fees; and
- A multi-family residential project in which at least 20 percent of the units are affordable will
 have its minimum landscaping requirement reduced to 20 percent (from the usual 30
 percent).

Division 17.26 (Zone D: Commercial and Mixed-Use) also mentions affordable housing, providing a density bonus for mixed-use commercial/residential development when affordable housing is

provided in required above-ground floor multi-family residences, once more cross-referencing the State's density bonus provisions.

C.2.2.7 Other Local Ordinances

Replacement Policies

To prevent displacement and preserve the City's limited supply of affordable rental housing, Chapter 19 (Subdivisions) Article VIII (Residential Condominiums) provides criteria for the conversion of existing multi-family rental housing to a condominium. These include procedures for notification of existing tenants and adequate time and assistance for relocation.

Specifically, the City requires in Section 19.63 (Condominium Conversions – Findings) that an equivalent number of very low-, low-, and moderate-income rental units are provided elsewhere in the City and that those units remain affordable for at least 55 years. This section also provides requirements for notifying tenants and offering them right of first refusal to purchase by cross-referencing to Government Code §66427.1.

Rezoning of Property

Piedmont's City Charter is unique in requiring a majority of voters to approve the reduction, enlargement, or reclassification of zones in a general or special election as specified in Section 9.02 (Zoning System) of the Charter. This requirement only applies to map changes, and not to text changes. The City can update the zoning text, including residential density increases and development regulations, if consistent with the intent of the land use classification of the General Plan, as a legislative act by the City Council. The primary exception to this requirement is the provision that the owner of a property zoned for uses other than or in addition to a single-family dwelling may voluntarily request zoning classification change as long as "single-family dwelling" remains the only use.

The cost, timing, and logistical constraints presented by an election make any zoning classification changes consistent with the intent of the Housing Element, any future General Plan amendments, and City fair housing goals, including affirmatively furthering fair housing, difficult, and a constraint to housing production. This process could also influence the supply, cost, and timing of housing production in the future. Additionally, the limitations to reclassify single-family zoned property for multi-family has an impact on the City's goals of affirmatively furthering fair housing (See Appendix F, Section F.2.7 Summary of Fair Housing Issues). To address these constraints, the City proposes Program 4.H. Modify Charter Regarding Zoning Amendments.

Growth Control

Piedmont does not have regulations which limit or control the growth of the City.

C.2.3 Building and Housing Codes and Enforcement

Piedmont has adopted the 2019 California Building Standards Code (Code of Regulations, Title 24), which sets minimum standards for residential development and all other structures. The standards may add material and labor costs but are necessary minimums for the safety of those occupying the structures. The City has also adopted the 2019 California Residential Code, Mechanical Code, Plumbing Code, Electrical Code, Energy Code, Green Building Standards Code, Historical Building Code, Existing Building Code, and Fire Code.

In many cases, a number of amendments to the State code have been incorporated to reflect issues of local concern. For example, the City has amended Section 105.1 of the 2019 California Building Code to require a building permit for building alterations and property improvements which have received or require design review approval from the City. A complete list of adopted codes and amendments to them can be found in Division 8.02 (Adoption of California Buildings Standards Code and Amendments). These standards may increase initial construction costs, but over time will improve the safety of residents.

The City enforces the Piedmont City Code via various City Compliance Officers designated by the City Administrator. The City Council has also established the Bureau of Fire Prevention within the City's Fire Department, empowering the Fire Marshall to oversee this Bureau and enforce the California Fire Code. The Chief Building Official is responsible for enforcing the City Code regarding the erection, construction, reconstruction, moving, conversion, alteration, or addition to a building or structure. The Director of Planning & Building enforces the terms of discretionary permits and their conditions.

Enforcement of the building code does not pose a constraint to the production or maintenance of housing in Piedmont. Buildings are typically inspected only when permits are obtained, or when complaints or suspected violations are reported. Given the residential character of the City and its small size, the complaint-based system of code enforcement has been very effective in addressing violations. As noted in Appendix A, there are very few code enforcement complaints regarding housing violations. The City estimates one complaint per year, and complaints are not localized in any one part of the City.

C.2.4 Permits and Procedures

The time required to process a project varies greatly from one entitlement to another and is directly related to the size and complexity of the proposal, as well as the number of actions or approvals needed to complete the process. Table C-6 identifies approvals and/or permits that could be required for planning entitlements along with their corresponding approval body. It should be noted that each project would not have to obtain each permit/approval (e.g., small scale projects consistent with General Plan and zoning standards do not require General Plan Amendments, Zone Changes, or Variances).

Table C-6: T Review Authority

Permit/Approval Type	Review Authority			
Conditional Use Permit	City Council			
Design Review Permit				
Admin/Expedited Review	Planning Director			
Staff Review	Planning Director			
Planning Commission Review	Planning Commission			
Development Agreement	City Council			
Reasonable Accommodation	Planning Director			
Variance	Planning Commission			
Zoning Amendment	City Council			
Source: City of Piedmont City Code, Chapter 17 (Planning & Land Use				

All planning applications are processed in accordance with the Permit Streamlining Act (PSA), which allows 60 days between the submittal of a complete application and a formal action on that application. Most planning applications are processed in less than 40 days. Planning Commission applications require a 30-day lead time before the hearing, during which time a determination is made that the application is complete. Decisions made on discretionary permit applications can be appealed for up to 10 days after the decision date. Lengthy processing times are most likely to be associated with incomplete submittals.

However, lengthy approval times are likely due to the high level of citizen participation in the City. The City notes that new construction sometimes requires multiple Planning Commission hearings before receiving approval. As described below, it is not uncommon for single-family projects to take a year or more from pre-application planning conferences to issuance of a building permit. Lengthy review periods pose a constraint to development, particularly multi-family and/or affordable development, as the uncertainty and time increase the cost to the developer which is often passed down to the renter or owner. As noted elsewhere, the City is developing recommendations for objective design standards for multi-family and mixed-use projects which can help streamline the Design Review process (see below). Additionally, SB 330 (Housing Accountability Act), sets a maximum number of five hearings for projects with complete applications which comply with the requirements and objective standards of a City's General Plan and Zoning Ordinance.

The time lapse between project approval and building permit issuance varies and depends on both staff review times as well as when the applicant submits the permit application following entitlement. Staff notes that simple applications are typically reviewed within one to five days, and more complex applications may take several weeks. Staff does not control the timing of application submittal relative to project entitlement. The City issued building permits for 24 new

housing units in 2020, including 21 for ADUs and JADUs of varying size and affordability level and three for single-family residences. In that time, the City has been observing a lapse of approximately nine months between project entitlement approval and building permit issuance. For example, an ADU project on Oakland Avenue was approved on February 2, 2020, and received a building permit on November 10, 2020. However, a JADU project on Sandringham Road was approved in July 2020 and issued a building permit two weeks later in August 2020. Building permits issued in 2020 for single-family residences show a longer gap between entitlement and permit issuance. For example, a single-family residence on Grand Avenue was approved on May 13, 2019, and received a building permit on July 29, 2020. There have been no multi-family, mixed-use, or apartment projects submitted in recent years. At 408 Linda Avenue, the City approved seven attached townhome condominiums which received final inspection approval in 2018.

Design Review

For new homes and major alterations, the City does not require any special permits above and beyond Design Review. However, the scope of Design Review in Piedmont is very broad, and most projects that affect the exterior of a structure (or that involve a new structure) other than repair, maintenance, or replacement-in-kind are included. The City's design review process is outlined in Division 17.66 (Design Review Permit). The purpose of design review is to promote orderly development, uphold the aesthetic values of the community, and ensure excellence in architectural design.

The Director is responsible for preparing public lists for guidance to applicants, including direction as to what constitutes a *small improvement* (which does not require design review) and a *minor modification* (which qualify for expedited review). Otherwise, a design review permit is required for all improvements requiring a variance, conditional use permit, or building permit or involving built features located within a street yard setback, such as a fence, wall, retaining wall, or trash enclosure.

- <u>Expedited Design Review</u> is an expedited process for minor projects that replace an
 existing feature with a new feature that is different in some way, including changes in
 materials, function, or design. Examples are window replacements (not involving a change
 in size or location) and new deck handrails. Expedited Design Review also covers new
 features that have no impact on neighbors or the public.
- <u>Design Review (Reviewed by Director)</u> is a process for projects with exterior improvements valued at under \$161,000 that do not require a variance or involve construction of a front-yard fence. Examples are new decks, new porches, dormers, and small additions. Adjacent neighbors are notified of the application and are given a chance to comment on the plans.
- <u>Design Review (Reviewed by Planning Commission)</u> is a process for projects valued with exterior improvements valued at over \$161,000 (adjusted for inflation), and projects which

also require a variance, conditional use permit, or involve construction of features within side, rear, or street setbacks. Design Review applications eligible for Director review may also be referred to the Planning Commission in the event there are issues that cannot be easily resolved. If the project requires ultimate City Council approval, the Planning Commission makes a recommendation to the City Council for final design review. Examples of projects requiring review by the Planning Commission include new homes and large additions such as upper-level stories. A 100 to 300-foot notification radius applies to applications subject to review by the Planning Commission, depending on the scope of the application. The Planning Commission must make specific findings before approving an application and may establish conditions of approval to protect the aesthetic quality of the neighborhood and mitigate adverse impacts on neighboring properties.

Approval of Design Review is subject to three required findings:

- A. The proposed design is consistent with the City's General Plan and Piedmont Design Guidelines.
- B. The design has little or no effect on neighboring properties' existing views, privacy, and access to direct and indirect light.
- C. The proposed design does not adversely affect pedestrian or vehicular safety.

As recommended in the 5th Cycle Housing Element, the City adopted updated Design Guidelines in 2019 which address design of single-family, multi-family, and commercial and mixed-use projects. The guidelines provide guidance to the Director and Planning Commission when performing Design Review, and the review body will need to find that the project is consistent with the City of Piedmont Design Guidelines and cite specific guidelines to which the project conforms (or does not conform). The subjectivity of design review criteria could lead to a protracted approval process and potentially a denial based on interpretation. Currently, Senate Bill 330 (Housing Accountability Act) precludes jurisdictions from applying subjective design standards to certain housing development projects. In order to facilitate housing approvals and maintain high quality projects consistent with the City's character, the City is in the process of developing recommendations for objective design standards for multi-family and residential mixed-use projects. However, recent housing bills also point to the need to develop objective standards for single-family projects to help facilitate development without unnecessarily constraining development. The Housing Element includes Program 1.J to develop objective design standards to facilitate development of new residential units in single-family zones, pursuant to SB9.

Conditional Use Permit

The City's conditional use permit process is described in Division 17.68 (Conditional Use Permit). The Planning Commission is required to hold a hearing on applications for Conditional Use Permits (CUPs) and make a recommendation to the City Council, whose decision on approval is final. Both bodies must make the following findings before recommendation or approval:

• The proposed use is compatible with the general plan and conforms to the zoning code;

- The use is primarily intended to serve Piedmont residents (rather than the larger region);
 and
- The use will not have a material adverse effect on the health, safety, or welfare of persons residing or working in the vicinity. Considerations for this finding include: no substantial increase in traffic, parking, or noise; no adverse effect on the character of the neighborhood; and no tendency to adversely affect surrounding property values.

City Council approval of CUPs is atypical compared to other cities in the region, and a potential constraint. While few residential uses require a CUP, mixed-use projects in Zone D (Commercial and Mixed-Use) require a CUP (see Table C-5) and thus may present a constraint to housing production.

Permit Streamlining

California Senate Bill 35 ("SB 35"), codified at Government Code Section 65913.41, became effective January 1, 2018. The intent of SB 35 is to expedite and facilitate construction of affordable housing. SB 35 requires cities and counties that have not made sufficient progress toward meeting their affordable housing goals for above-moderate and lower income levels to streamline the review and approval of certain qualifying affordable housing projects through a ministerial process. The City complies with state requirements of SB35 as part of project review as projects are proposed. The City will adopt local procedures consistent with SB35 (see Program 4.R) to ensure continued compliance and to facilitate the review process.

Permit and Development Fees

The City's permit and development fees are available on the City's website consistent with Government Code §65940.1(a)(1)(A). The City's fees are designed to recover the cost of processing permit applications only and are not a source of City revenue. The City's fees are updated annually effective July 1, see Table C-7.

The same fees apply regardless of the number of units. So, on a per unit basis, the cost is lower. Building permit fees represent a larger share of application costs than planning fees. These fees are calculated on a sliding scale depending on the value of the project (value includes labor and overhead costs as well as material costs). The fees include Permit and Inspection fees, a Plan Check fee, a SMIP (Strong Motion Instrumentation Program) fee, and a Title 24 energy compliance fee, among others (not all are listed below). Piedmont's planning and permit fees are in the middle when compared to those in other cities. Neighboring jurisdictions have both higher and lower fees than Piedmont across all categories.

Table C-7: Planning Fees Effective July 1, 2021

Building D	Division Fees
Building Permit & Inspection Fees	
Job value of work being done:	Fee based on value of work
\$1 to \$500	Base Fee of \$68
\$501 to \$2,000	Base Fee of \$73 + (\$3.88 for every \$100)
\$2,001 to \$25,000	Base Fee of \$131 + (\$18.72 for every \$1,000)
\$25,001 to \$50,000	Base Fee of \$591 + (\$13.48 for every \$1,000)
\$50,001 to \$100,000	Base Fee of \$947 + (\$9.30 for every \$1,000)
\$100,001 to \$500,000	Base Fee of \$1,443 + (\$7.48 for every \$1,000)
\$500,001 to \$1,000,000	Base Fee of \$4,344 + (\$6.32 for every \$1,000)
Over \$1,000,000	Base Fee of \$7,993 + (\$4.03 for every \$1,000)
Plan Check Fee	
Job value of work being done:	Fee based on value of work
\$1 to \$500	Base Fee of \$22
\$501 to \$2,000	Base Fee of \$27 + (\$2.83 for every \$100)
\$2,001 to \$25,000	Base Fee of \$63 + (\$12.18 for every \$1,000)
\$25,001 to \$50,000	Base Fee of \$361 + (\$9.41 for every \$1,000)
\$50,001 to \$100,000	Base Fee of \$596 + (\$6.07 for every \$1,000)
\$100,001 to \$500,000	Base Fee of \$915 + (\$4.87 for every \$1,000)
\$500,001 to \$1,000,000	Base Fee of \$2,807 + (\$4.08 for every \$1,000)
Over \$1,000,000	Base Fee of \$5,175 + (\$2.72 for every \$1,000)
General Plan Maintenance Fee	Job value x \$0.012
Records Management Fee	5% of Permit & Inspection Fee
Other Fees & Permits	
Change in Approved Building Permit (CAP)	\$55
Solar Energy Related Permits	\$327
Encroachment Permit	\$806
New Sewer Connection	\$1,252
Penalty Fee - Starting Construction without Permit	50%
Residential Rental Safety Inspection	\$218
Sidewalk Inspection	\$38
Title 24 Plan Check	
Perspective Compliance	\$63
No increase in conditioned floor area	\$124
Addition area only	\$156
Addition plus existing area combined	\$218
New home or structure	\$250
	Division Fees
Design Review Permit - Expedited Review	
General Applications	\$224
Windows & Doors	\$256

Table C-7: Planning Fees Effective July 1, 2021

\$250
\$350
A400
\$460
\$684
\$836
\$1,234
\$136 surcharge
\$1,636
\$1,955
\$4,804
\$952
\$1,296
\$470
\$2,426
\$763
\$366
\$763
\$977
\$905
\$350
\$588
\$977
\$356
\$136
\$2,866
\$1,665
\$1,980
\$4,170
\$7,185
\$50,000
\$100,000
Fee per CA DFG + \$450 City processing fee
No fee

Table C-7: Planning Fees Effective July 1, 2021

Zoning compliance Letter	\$84
Development Agreement	\$6,000 + 30% Admin. Fee
Applications and Review not listed above	\$3,265
Source: City of Piedmont City Code, 2021-22 Fee Schedule	

Fee Analysis

Table C-8 shows total estimated planning and development fees for single-family and multi-family units. The estimate for a single-family home assumes a project value of \$2,369,680, the typical home value in Piedmont in December 2020 as shown in the Needs Assessment (Appendix A, Figure A-39). The estimate for a multi-family development assumes a project value of approximately \$18,000,000 (not including developer profit) based off market trends for a 100% market rate two-story mixed-use development of 24 two-bedroom units. Both project types would require Planning Commission Design Review due to their high value.

Table C-8: Building and Planning Fees for Single-Family and Multi-Family

	Single-Family	Multi-Family (24 units, market rate)
Project value	\$2,369,680	\$17,844,259
Building permit and inspection	\$7,993.00	\$78,677
Plan check fee	\$5,175.00	\$52,959
New sewer connection	\$1,252.00	\$1,252
Design Review (Planning Commission)	\$4,804.00	\$4,804
CEQA		
Initial Study/Negative Declaration	n/a	\$50,000
EIR	n/a	\$100,000
Total Fees	\$19,224.00	\$181,636.26 – \$231,636.26
Per Unit Fees	\$19,224.00	\$7,568.18 – \$9,651.51
Estimated proportion of fees to project value per unit	.81%	.04% – .05%
Source: City of Piedmont, LWC		

If a new single-family home with a project value of \$2,369,680 were to be built in the City today, planning fees would be \$5,175 if no variance were required. The building permit fee would depend on the number of fixtures, outlets, and plumbing connections, but would be approximately \$7,993. For a new home on a vacant lot, the City sewer connection fee would be \$1,252. Additional fees associated with connecting to the East Bay Municipal Utility District (EDMUD) water system may be required but are outside the City's control. Such fees would not apply if the project involved demolishing and rebuilding an existing home. Total permitting fees would represent .81 percent of the total project value, a lower figure compared to those reported for other Alameda County communities.

The same fee schedule applies to multi-family and mixed-use developments, resulting in increased permitting and planning costs that scale with project value for every \$1,000 over \$1 million. Furthermore, larger multi-family projects would be subject to the California Environmental Quality Act (CEQA) and require either an initial study/negative declaration or a full environmental impact report (EIR). The City collects fees related to environmental assessment to recover the cost of consultants and administrative handling. However, even with these added costs, total permitting fees per unit would represent only .04 to .05 percent of a \$18 million market rate project.

C.2.5 On and Off-site Improvements and Impact Fees

New development is required to provide public improvements to serve its new residents. Many development sites in Piedmont are individual vacant or underutilized lots with full utilities, street frontage, access, and services and require no site improvements other than construction of utility laterals to connect a parcel with the electric, gas, sewer, water, drainage, and telecommunication facilities in the adjacent public right-of-way. The Housing Element does identify larger sites that may require subdivision and new parcellation, and the additional need for new blocks, public or private streets, curb and gutter replacement, sidewalks, tree planting, and similar onsite amenities which contribute to public health and safety.

The City has adopted engineering and design standards to inform developers of how these improvements should be constructed in Chapter 19 (Subdivisions), Article VII (Design and Improvements; Dedication). Public improvement obligations include:

- Frontage improvement: street structural sections, curbs, sidewalks, drive approaches and transitions, and transit facilities when requested by the local transit authority;
- Storm drainage;
- Sanitary sewers;
- Water supply; and
- Utilities: gas, electric, and telephone (to be placed underground if the adjacent property has underground facilities) [the City Council may waive the undergrounding requirement and require an in-lieu fee at its discretion).

The City has not adopted any requirements above and beyond those authorized by the Subdivision Map Act.

In addition to the above requirements, lots located on both public and private streets are required to have adhere to the frontage requirements of the Piedmont Zoning Code for the applicable zone. While these types of requirements result in additional development costs, these improvements provide the necessary facilities and services for a safe and quality living environment.

Other improvements such as streetlights, fire hydrants, signs, street trees, landscaping, or fees in-lieu of these improvements are required at the discretion of the City engineer and in accordance with Chapter 19 and City standards and specifications.

Because Piedmont is built out and all development opportunities are on sites with a full complement of existing urban services, impact fees are not required. Piedmont is one of the few cities in the East Bay that does not collect school or park impact fees. This represents a significant savings relative to the cost of development in nearby communities.

C.2.6 Other Potential Regulatory Constraints

Landlords in Piedmont, whether leasing out a room in a single-family residence or units in an apartment building, are required to pay business taxes on rental property of \$200 per year or \$13.95 per thousand dollars of gross rental receipts, whichever is greater. The City has reported that this tax has not been an impediment to the development of rental housing and has not been raised in the past two decades.

Division 17.40 (Residential Rentals) establishes regulations governing the rental of residential property in the City, including both short-term and long-term rentals. One general provision limits the owner of a single-family dwelling unit in any zoning district to rent to only a single lessee per dwelling unit. This regulation presents a potential constraint to housing, as it limits the practice of owners of larger single-family residences from leasing multiple rooms to several tenants in a way that increases rental housing availability without the need for new construction.

Section C.3 Non-Governmental Constraints

Market factors over which a local government has only limited ability to control can influence the jurisdiction's capacity to develop more housing. These market-related constraints include land cost, construction cost, and the availability of financing. An assessment of these non-governmental constraints can inform the development of potential actions that can ameliorate its impact.

C.3.1 Housing Supply/Conditions

Market Overview: For-Sale

As shown in the Needs Assessment (Appendix A, Figure A-39), the region's home values have increased gradually since 2001, except for a decrease during the Great Recession. The rise in home prices has been especially steep since 2012, with the median home value in the Bay Area increasing by 142 percent by 2020. The typical home value in Piedmont has increased even more sharply in this same time period, estimated at \$2,369,688 in December 2020, a 668 percent increase from \$308,475 in 2001.

Since the beginning of the recovery from the Great Recession in 2012, interest rates have been maintained at low levels of 3.5 to 4.5 percent. Due to the COVID-19 pandemic, however, national 30-year mortgage rates have dropped to historically low levels, declining to 2.7 percent in late

2020. When interest rates are low, capital investment and housing production generally increase, and more people are likely to take out a mortgage than when interest rates are higher. In addition, consumers are able to borrow more money for the same monthly payment. Extremely low interest rates are one of the factors that has led to overall increased home values in Piedmont above what has been seen in the past several years. Coupled with the general desire during the pandemic to move from denser to more spacious neighborhoods, the housing market will likely continue to be competitive in the near future.

Market Overview: Rental

As shown in the Needs Assessment (Appendix A, Figure A-40, and Figure A-41), Piedmont rents are much higher than rents in Alameda County and the Bay Area as a whole. According to U.S. Census data, the median rent paid in Piedmont in 2019 was \$3,133, increasing 70.4 percent in the past 10 years, while rents in Alameda County have increased 56.2 percent. Meanwhile, median rent in the Bay Area region has increased 54.6 percent in the same time period. The rate of rent increase in Piedmont has far outpaced both the County and the Bay Area.

Per the Needs Assessment (Appendix A, Figure A-43), a greater percentage of renters are extremely cost-burdened, but the absolute number of cost-burdened owners is greater (i.e., a smaller percentage, but a much larger base). An estimated 9 percent of renters spend 30 to 50 percent of their income on housing, compared to 13 percent of those that own. Additionally, 12 percent of renters spend 50 percent or more of their income on housing, while 8 percent of owners are severely cost-burdened. Of note, housing cost burden could not be determined for 17 percent of renter occupied housing units. In total, the data show that 21 percent of both owner and renter occupied units are cost-burdened.

C.3.2 Development Costs

Land Costs

Due to the lack of vacant property in the City, a residual land value analysis was used to estimate the price of land in Piedmont. The analysis used comparables recently sold within the past two years (2020 through 2021). Due to a lack of recent sales within Piedmont City limits, several comparables were selected from neighboring Oakland, no more than several blocks from its border with Piedmont. Individual lots ranged from \$148 to \$1,170 per square foot, or about \$6,455,320 to \$50,955,846 per acre. Lot sizes ranged from approximately 3,750 to 25,628 square feet. Residential multi-family land in and near the City is estimated to cost an average of \$399 per square foot, or about \$17,395,689 per acre.

There we no recent raw land sales in Piedmont, and the City is generally built out. The lack of available land is considered a constraint to development, as housing production will most likely occur on more expensive opportunity sites for redevelopment. A developer will need to pay for the existing on-site improvement before demolishing it, resulting in a cost premium over vacant

land. In addition, sites with existing uses will most likely incur more costs due to the removal of on-site structures.

Construction Costs

According to a March 2020 report published by the Terner Center for Housing Innovation at UC Berkeley, construction costs for multi-family housing in California have climbed 25 percent between 2009 and 2018. This increase is in part due to the higher cost of building materials, such as wood, concrete, and steel, as well as prevailing wage requirements. According to RSMeans, construction costs (including materials and labor but excluding soft costs such as fees) for a small apartment complex in the Piedmont area ranged between \$169 to \$200 per square foot in 2021. Construction costs can vary depending on the type of development, ranging from more expensive steel-frame Type I construction to more affordable wood-frame Type V. Due to the smaller scale, single-family homes tend to be more expensive to construct on a per square foot basis than multifamily. This cost can fluctuate depending on the type and quality of amenities to the property, such as expensive interior finishes, fireplaces, swimming pools, etc.

Soft costs are the costs that are not directly incurred by the physical construction of the development. These costs include services for architectural, consultant, and legal services, as well as permitting requirements and impact fees. They generally range from 15 to 30 percent of total development costs but can fluctuate depending on local fees and exactions. Please refer to the Permit and Development Fees section, above, for a discussion of the City's required permit and development fees.

C.3.3 Availability of Financing

The availability of financing can impact rates of homeownership. The ability to secure financing can be influenced by several factors, including creditworthiness, debt-to-income ratio, and the restrictiveness of mortgage lending standards. Reviewing data collected through the Home Mortgage Disclosure Act (HMDA) can reveal the role the lending market has had on local home sales. Home purchase loans in 2020 are summarized in Table C-9 below.

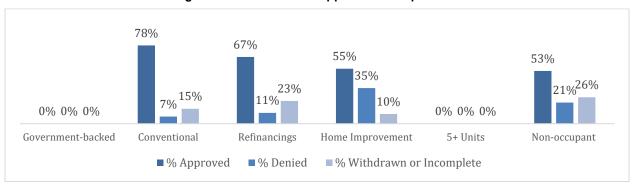
All traditional home loan applications (between government-backed and conventional) in 2020 were for conventional loans, for a total of 141 conventional home loan applications. This disparity could be driven from high home values in Piedmont, as government-backed loan programs typically have a maximum loan amount. The approval rate for conventional loans was 78 percent.

In competitive housing environments, where purchasing a new home may be out of reach for some, home renovations can be a desirable and more affordable way to add value to property. There were 62 loan applications for home improvement in 2020. The approval rate for these types of applications was 55 percent.

Table C-9: Total Home Loan Applications

Туре	Total Applications
Government-backed	•
Conventional	141
Refinancing	927
Home Improvement	62
5+ Units	-
Non-occupant	38
Source: HMDA, 2020	

Figure C-1: Home Loan Application Disposition



Source: HMDA, 2020

C.3.4 Summary

Economic conditions in Piedmont reflect a competitive housing market. Residential developments can garner higher home sale prices and rental rates than across the ABAG region. As such, Piedmont has market conditions that favor the development of both for-sale and for-rent housing. Due to high housing demand, however, Piedmont is generally built out, so future housing development will be constrained by existing development or require demolishing existing structures, improvements, and uses. The lack of available vacant land may constrain housing production due to the increased costs associated with redevelopment.

Environmental and Infrastructure Constraints

C.3.5 Environmental Constraints

Piedmont is surrounded on all sides by the City of Oakland and has been built out since the 1960's, with no potential for annexation. As the City is almost entirely zoned for single-family residential use, traditional redevelopment strategies that produce multi-family units are precluded without zoning amendments.

The City hosts several open spaces along Upper Moraga Canyon, including Blair Park, Piedmont Reservoir, and a portion of Mountain View Cemetery. An amendment to the General Plan and Zoning Ordinance would be required to allow for higher density residential development on these sites. Furthermore, the sites north of Moraga Avenue (above Coaches Field) are steep and would require extensive regrading to be available for other purposes.

Wildfire is Piedmont's most significant environmental hazard. Over a third of the City's residential area is located in a Fire Hazard Severity Zone, with increased exposure in the southeast where over nine percent of the City is in a Very High Fire Hazard Severity Zone (VHFHSZ). Parts of Piedmont have similar landscape character as the area burned in the devastating 1991 Oakland Hills Fire, the southern extent of which nearly reached the City's open spaces along Upper Moraga Canyon. The 2019 Local Hazard Mitigation Plan summarizes multiple mitigation actions taken to prepare for the threat of wildfire, including improved hydrants, backup water sources, and the undergrounding of utilities in VHFHSZs. However, wildfire remains a highly likely occurrence, especially during summer months, and has significant implications for the City's residential housing stock.

Piedmont is not affected by serious flooding, but the City is less than half a mile from the Hayward fault and would be subject to severe shaking in a major earthquake. However, the State-designated Special Study Zone associated with the Hayward Fault does not extend within Piedmont and ends just east of City limits. As with many Bay Area cities, higher construction costs may result from the need to design or retrofit projects to withstand seismic activity.

Piedmont does not have any hazardous material sites, and none of the properties identified in sites inventory analysis would require soil cleanup or remediation prior to development.

C.3.6 Infrastructure Constraints

Piedmont does not experience issues with traffic congestion, emergency services, or school enrollment that could be considered a development constraint, as these services have been determined to be stable and adequate for the foreseeable future. However, concerns regarding the City's water and sewer infrastructure are described below.

Water

Like many cities in the Bay Area and across California, drought is a persistent, regional concern and jurisdictions must anticipate its wide-reaching economic, environmental, and societal impacts. The City's 2019 Local Hazard Mitigation plan indicates that the most significant impacts associated with drought in Piedmont relate to water intensive activities such as municipal usage, commerce, tourism, recreation, and wildfire protection.

The City is served by the East Bay Municipal Utility District (EDMUD), which captures snowmelt from the watersheds of the Mokelumne River and collects it at the Pardee Reservoir 90 miles to the east of the Bay Area. EBMUD typically stores a six-month emergency supply in local reservoirs, but during a long-term drought, evaporation and competing water rights on the Mokelumne River's supply would not be able to meet EBMUD's projected customer demands, even with mandatory water use restrictions in place.

The City is coordinating with EBMUD to retrofit water lines to minimize the service disruption that could occur after an earthquake. EBMUD is upgrading its entire East Bay water storage and conveyance system, improving post-earthquake firefighting capacity, and ensuring the reliability of the drinking water supply.

Sewer and Stormwater

The City's sewer and storm drainage system was designed and installed many years ago and, although it adequately discharges current day loads, there are hotspots where localized flooding does occur. Furthermore, water and sewer infrastructure are a primary impact during a large earthquake event. The City's sanitary sewer replacement program, in concert with systemwide upgrades being conducted by EBMUD, will help reduce the risk of failure during a major earthquake. However, expansions and/or upsizing to the local sanitary sewer collection system may be required to support increased housing development.

SB 1087 requires local governments to submit their Housing Elements to local water and sewer service providers following adoption. This ensures that local utilities are made aware of each city's housing plans and can conduct their service planning accordingly. The City will submit this Housing Element to EBMUD following its adoption so that EBMUD is apprised of local housing opportunities and plans.

Dry Utilities

Electricity in Piedmont is provided jointly by East Bay Community Energy, a Clean Choice Energy (CCE) program, and PG&E. Natural gas is provided solely by PG&E. Additional dry utilities include cable TV/internet (AT&T and Comcast) and solid waste (Republic Services). All dry utilities are available throughout the City for any future development or redevelopment.

Appendix D: Evaluation of the 2015-2023 Housing Element

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Section D.1	Existing Housing Programs Review	D-2

Section D.1 Existing Housing Programs Review

This Appendix documents the implementation status of the current Housing Element programs. The main purpose is to evaluate which programs were successful and should be continued, and which programs were ineffective and should be eliminated or modified.



During the 5th housing element cycle, the City permitted 73 total housing units,

11 of which were deed-restricted (four were deed-restricted to extremely low/very low income persons, two were deed-restricted to low income persons, and five were deed-restricted to moderate income persons). In 2020, the City issued building permits for 21 accessory dwelling units.

Programs of note that the City was successful in implementing include:

- Redevelopment of the former PG&E substation site on Linda Avenue, which provided seven new townhomes.
- A 2017 comprehensive update to the City's zoning ordinance (City Code Chapter 17), including modifications to regulations for mixed-use development that relaxed standards for parking, lot coverage, setbacks and building height.
- Comprehensive update of design guidelines consistent with Action 28.E of the Piedmont General Plan in 2019.
- Adoption of Accessory Dwelling Unit standards consistent with State law in 2019-2020.
- Assisting Habitat for Humanity to provide services to low-income residents.
- Working with faith-based groups to serve residents in need in Piedmont and the greater East Bay.
- Implementing a media strategy that includes providing printed handouts to the public, as well as maintaining a webpage dedicated to information about housing (<u>www.Piedmontishome.org</u>).

Lastly, the City received an "A" letter grade from the Southern California News Group, who published a report card for California cities' efforts to implement their housing strategies for the 5th cycle housing element update (from 2015-2023). Most cities received a letter grade of "C" or "D". This recognition of the City's efforts highlights the existing effective strategies and the need for new housing strategies, particularly for housing affordable to households earning lower incomes (the City did receive a "C" sub-score for housing affordable to households earning very low incomes).

Table D-1: Existing Housing Element Programs Review

5th Cycle HEU Program Name and Number	Program Description	Objectives	Responsible Party; Timeline	Evaluation	Modify/Delete/ Continue
Goal 1: New Hou	ising Construction				
1.A Vacant Land Inventory	A vacant land inventory has been prepared as part of this Housing Element update (see Table 4-2). This inventory should be updated regularly, with an indication of the ownership, availability for sale, and status of any pending construction projects. Information about potential new parcels should be added, in the event that lot standards or subdivision regulations change.	Prepare a regular update of the City's vacant land inventory, indicating the status and availability of each site in Table 4-2 for potential development.	City Planner; Annually	City has an inventory of vacant land in GIS. Given new development proposals the inventory needs to be updated. Inventory should also be updated to incorporate any zoning amendments as proposed as part of the 6th Cycle Housing Element.	Continue.
1.B Redevelopme nt of the former PG&E Site	This 15,375 square feet site was entitled for seven townhomes in September 2011 and received a building permit at the end of 2013. The seven units equate to a density of 20 units per acre, which is the maximum permitted by zoning. It is anticipated that the development will serve above moderate income households.	Support the redevelopment of the former PG&E site on Linda Avenue with housing developed at the maximum density permitted by zoning.	City Planner; Ongoing	Permit issued in 2015 to construct 7 new townhomes; construction completed in 2018. Program is complete.	Delete.
1.C Market-Rate Second Units	This Housing Element includes program recommendations for two types of second units. The first recommendation, listed here, relates to market rate second units. These units have no limit on the rent that may be charged and no restrictions on the income of the occupants. The second set of recommendations, listed under Goal 3, addresses rent-restricted second units. These units are subject to deed restrictions which limit the rent that may be charged and the income of the occupants. The rent-restricted units may only be occupied by qualifying low, very low, or extremely low income households.	the Development of	City Planner with direction from the City Council and the City Planning Commission; Ongoing	The City continues to promote market rate units as well as affordable units. The City maintains zoning regulations that allow second units (Accessory Dwelling Units).	Modify (see Section IV of HEU).

5th Cycle HEU Program Name and Number	Program Description	Objectives	Responsible Party; Timeline	Evaluation	Modify/Delete/ Continue
	Since 2005, the City of Piedmont allowed market-rate second units by right in all residential zones provided they meet certain criteria. Such units are permitted through "ministerial review," meaning they require no review by the Planning Commissioners or neighbors. As noted in Chapter 5, the criteria are: The unit must be less than 700 square feet Structures on the property must comply with zoning standards for floor area ratio, height, lot coverage, and setbacks				
	An off-street, covered, non-tandem parking space must be provided outside of the required front setback The owner must live on the property Prior to 2005, a conditional use permit (CUP) was required for second units. The removal of this requirement has increased the volume of applications and created important new housing opportunities. The City will continue to actively promote second unit construction in the coming years. To the extent the City budget will allow, this will include keeping second unit application fees at their current levels as a way to encourage second unit production.				
1.D Data on Second Unit Rents and Occupancy	units are only rented on an intermittent basis, some are not rented	Use sources such as business tax records, reviews of locally advertised rentals, and direct surveys to track the rents being charged for local second units, and gather other relevant data on second unit occupancy and use.	City Planner, City Clerk; Bi- annually, starting in 2016	Annual mailers are sent to rent-restricted units to track units being rented and the amount charged for rent. Rent-restricted units are being tracked in APRs.	Modify (see Section IV of HEU).

5th Cycle HEU Program Name and Number	Program Description	Objectives	Responsible Party; Timeline	Evaluation	Modify/Delete/ Continue
	Greater equity in tax collection (e.g., to make sure that all unit owners are paying the required business tax) Assurance that rent-restricted units are charging rents that meet HUD guidelines for the income groups served, as defined by the deed restriction An understanding of the extent to which second units are providing housing for different populations, such as elderly relatives, adult children, low income and very low income wage earners, and domestic employees Identification of unlawful use of second units and the need for code enforcement activities (for example, the use of a rent-restricted second unit as a home office or vacation rental) This program would produce a bi-annual report with data on median rents, number of units occupied (and vacant), characteristics of the households being served, and relevant conclusions about how registered second units are being used. It would not report data by address, but would focus instead on summary information. If feasible, the report could be supplemented with data provided from a survey of second unit owners.				
1.E Allowances for Housing in the Commercial Zone	second story residential additions above stores or offices on Grand Avenue and longer-term opportunities for mixed use projects in the event the City's two service stations or two retail businesses (Mulberry Market and Ace Hardware) are ever redeveloped. It also creates an opportunity to convert the six single family homes in Zone D to mixed use structures, potentially including new rental	Work with the owners of properties in Zone "D" to facilitate proposals for mixed use development, including new mixed use projects on underutilized commercial sites and the addition of residential units to existing commercial structures.	from the City Council and Planning Commission; Ongoing	In 2017, the City Council adopted Zoning Code amendments for the commercial zone on Grand Avenue and Highland Avenue. Changes clarified existing standards, removed conflicting standards, and relaxed lot coverage, parking, and other standards. City is in process of developing Multi-	Modify (see Section IV of HEU).

5th Cycle HEU Program Name and Number	Program Description	Objectives	Responsible Party; Timeline	Evaluation	Modify/Delete/ Continue
	commercial uses. As with second units, opportunities for parking exceptions could be considered for units with rent restrictions. As required by state law, density bonuses would be allowed for projects incorporating affordable units. The City has set a target of producing at least six multi-family or mixed use units by the close of the planning period (January 31, 2023).			family and mixed use design guidelines and testing feasibility of higher density development on underutilized commercial properties.	
1.F Facilitating Multi-Family Development	The City of Piedmont will continue to explore ways to encourage or incentivize multi-family development in Zoning Districts C and D. The City already provides rapid processing of development applications and has modified the development standards (i.e., reducing parking requirements for units less than 700 square feet and allowing greater hardscape coverage) in Zone C to facilitate affordable housing development. Provisions for fee reductions for multi-family projects that incorporate affordable units should continue to be explicitly provided in the Zoning Regulations. As noted in Program 2.E, the City intends to update the Residential Design Guidelines following adoption of the Housing Element. The update will include new guidelines for multi-family and mixed use development. As part of preparing these guidelines, the City will consult with local architects on the need for revisions to the zoning standards. Reductions to front yard setbacks and increases in lot coverage allowances will be considered. As noted in Program 1.E, the City has set a target of producing six multi family or mixed use units by the close of the planning period.	Continue to develop and implement incentives to facilitate multi-family development on land zoned for multi- family or commercial uses in Piedmont. The City will also implement recent CEQA exemptions for infill projects so that environmental review costs are reduced for multifamily development.	City Planner with direction from the City Council and the City Planning Commission; Ongoing (revisit multi- family standards in 2016)	No proposed multi- family projects in 2020. The City hopes to incorporate guidelines for multi- family and mixed- use projects when Design Guidelines are updated in 2021.	Modify (see Section IV of HEU).
Goal 2: Housing	Conservation				
2.A CDBG Funding	The Alameda Urban County CDBG program provides funds to assist lower income households with home repair and maintenance projects. A limited amount of funds are provided to local cities, with disbursal to qualifying lower income households. The City of Piedmont has participated in this program in the past and will continue to participate in the future. During the 2014 Housing Element update, it was observed that many Piedmont households are unaware of this program. If the City is successful in obtaining funds, a public information campaign should be initiated to solicit	Apply for Community Development Block Grant (CDBG) funds for housing maintenance and production on an annual basis, and establish a process for informing the public that such funds are available.		These grants are administered and advertised by Alameda County HCD. Prior CDBGfunded projects include the Dudley Avenue Sidewalk, the Japanese Teac	Modify (see Section IV of HEU).

5th Cycle HEU Program Name and Number	Program Description	Objectives	Responsible Party; Timeline	Evaluation	Modify/Delete/ Continue
	applications for grants/loans by Piedmont households, with an emphasis on extremely low income households. This should include feature stories in the local news media as well as announcements on the City's website. If sufficient funds are obtained to produce new affordable housing units, the City will work with non-profit developers to explore complementary measures to facilitate housing production, such as reduced permitting and environmental review costs. The City will also seek input from developers to research appropriate potential funding sources for affordable housing production. The City has set a target of assisting 10 households with home rehabilitation by the close of the planning period (January 31, 2023).	If and when such funds are received, a priority should be placed on their use to assist households with incomes less than 30 percent of area median income.		House Accessibility Project, the Exedra Plaza Accessibility Project, the Dracena Park Tot Lot and Restroom Project, the Linda Avenue Mid-block Crossing, and various pedestrian crossings.	
2.B Preservation of Small Homes	The City's existing supply of small homes is currently protected by: Floor area ratio and lot coverage requirements which limit the square footage and coverage of structures. Requirements to provide conforming off-street parking in the event that bedrooms are added (creating a disincentive to the expansion of two and three bedroom homes with one-car garages). Design Review Guidelines which strive to maintain the scale and mass of existing homes. All of these provisions should be retained. In addition, the City should continue to study measures that other cities are taking to retain smaller homes, and determine if any of these measures might be transferable to Piedmont. One concept to be explored is to include a category in the City's annual design awards program in which outstanding remodeling projects for small homes and second units are specifically acknowledged.	Maintain zoning and design review regulations that protect the existing supply of small (less than 1,800 square feet) homes in Piedmont. Explore other incentives to protect small homes, including design awards for exemplary small home improvement projects.	City Planner/City Administrator; Ongoing, with identification of other incentives to preserve small homes by 2017	The City continues to promote Municipal Code section 17.02.010.B which explicitly indicates its intent to preserve the supply of small homes of small (less than 1,800 square feet) homes in Piedmont. However, the City does not have explicit standards to ensure homes are allowed or encouraged. The City should modify its program to develop standards for small lot/infill projects to facilitate	Modify (see evaluation).

5th Cycle HEU Program Name and Number	Program Description	Objectives	Responsible Party; Timeline	Evaluation	Modify/Delete/ Continue
				small home projects.	
2.C Use of Original Materials and Construction Methods	The City's Design Review, Plan Checking, and Building Inspection processes currently allow the use of original materials and methods of construction when remodeling projects are proposed. These provisions can mean significant cost-savings for property owners, who might otherwise need to use more expensive materials. They also help support the City's Climate Action Plan objectives, including increased use of recycled building materials and fixtures. Additional measures could include the application of the State Historic Building Code to structures that qualify as "historic." This Code allows the relaxation of certain UBC standards (such as staircase width) in order to preserve historic buildings.	Maintain Planning and Building standards which allow the use of original materials and construction methods in home remodeling.	Building Official; Ongoing	Because of the California Green Building Code and City's Construction and Demolition regulations, property owners are incentivized to reuse or up-cycle materials in order to meet diversion requirements.	Continue.
2.D Condominium Conversions	The City's Subdivision Code includes a "no net loss" provision for apartment conversions. Section 19.63 (C) of the code states that any apartments converted to condominiums must be replaced in kind by an equivalent number of equivalently priced rental units. If the units currently rent for very low, low, or moderate income rents, the replacement units must remain rent restricted for at least 55 years. This requirement reduces the likelihood of condo conversions in the city and protects the multi-family rental housing supply.	Maintain the existing requirement that the removal of any multifamily rental apartment must be matched by the creation of a new rental apartment elsewhere in the city.	City Council; Ongoing	PMC Section 19.63(C) covers this.	Continue.
2.E Update of Design Guidelines	Piedmont's Residential Design Guidelines have not been comprehensively updated in 26 years. The document should be given a more contemporary look and should be reformatted to reflect current graphic design standards. The content also should be assessed, and changes should be made to make the Guidelines more relevant and descriptive where necessary. In addition to the drawings in the Guidelines, photos should be incorporated to illustrate desired outcomes and provide greater certainty to applicants. Consistent with the General Plan, a specific section of the Guidelines should address development of small (less than 5,000 square foot) lots. Also as noted in the General Plan, the scope of the City's Design Guidelines should be expanded to address mixed use and multifamily residential development. This could expedite the processing	Update the 1988 City of Piedmont Residential Design Guidelines, consistent with Action 28.E of the Piedmont General Plan. The update process should include public input, which should be facilitated by one or more Planning Commission study sessions.	City Planner, with direction from the City Council and the City Planning Commission; Complete by 2016	Guidelines were comprehensively updated in 2019. City is in the process up developing Multifamily and mixeduse standards.	Delete.

5th Cycle HEU Program Name and	Program Description	Objectives	Responsible Party; Timeline	Evaluation	Modify/Delete/
Number			Timeline		
	of such development if future proposals are received, and would ensure that multi-family development is not evaluated using standards intended for single family homes.				
	The process of updating the Design Guidelines should be transparent and inclusive. Piedmont residents should be encouraged to participate and share their thoughts about how requirements and procedures can be improved. One or more study sessions of the Planning Commission should be convened as the Guidelines are being updated. Among the specific proposals that could be considered by the Commission would be:				
	Additional categories of exemptions from design review, especially for small rear yard projects that are not visible to neighbors or from the street.				
	Changes to the notification requirements, and the extent to which comments from neighbors may change a project's design and materials.				
	Clearer rules for decision making.				
	Potential modifications to the fee schedule, to further discount certain types of projects or raise the fees for other types of projects.				
	Potential changes to the mixed use standards in Chapter 17.				
Goal 3: Afforda	able Housing Opportunities				
3.A Second Unit Ordinance Assessment and Revisions	In 2004, the City of Piedmont undertook a year-long process to revise its Second Unit Ordinance. The process was guided by a Citizens Advisory Committee (CAC) and focused on ways to more effectively use second units to meet the City's affordable housing needs. In March 2005, the Municipal Code was revised to incorporate the CAC recommendations. As noted earlier in this Housing Element, the new Code created a new incentive-driven category of "rent-restricted" second units which may only be occupied by low or very low income households. As recommended by the 2011 Housing Element, an assessment of the second unit regulations was completed in 2011-2012. This led to additional changes to the second unit regulations, as documented in Chapters 2 and 5 of this Housing Element. Periodic assessments of the regulations are recommended to ensure that they are achieving their desired purpose and producing the number of units needed to	Within three years of Housing Element adoption, complete an assessment of Piedmont's Second Unit regulations, with a focus on the incentives that are being used to promote rent-restricted units and the steps that can be taken to increase second unit production and occupancy rates.	City Planner/Cons ultant, City Council; 2017	The Second Unit Ordinance was amended and re- written as a new Accessory Dwelling Unit (ADU) Ordinance in 2017 and again in 2019- 2020. The ADU Ordinance is consistent with State law. The City is also in the process of developing	Delete.

5th Cycle HEU Program Name and Number	Program Description	Objectives	Responsible Party; Timeline	Evaluation	Modify/Delete/ Continue
	meet the RHNA, and to identify corrective measures in the event the targets are not being met. Future changes could include: Elimination of the variance requirement for the primary dwelling unit when a rent-restricted unit is provided without parking and conforming parking for the primary unit also does not exist. The current regulations allow the rent-restricted second unit to be approved with a parking exception (a simpler process than a variance), but still require a parking variance for the primary unit. Section 17.40.6(e) of the Municipal Code should be amended to eliminate the variance requirement for the primary unit in such instances. Additional tools to incentivize the use of existing legal second units as rentals, including graduated business tax rates. For example, a three tiered rate structure could be considered which includes higher tax rates when entire single family homes are rented out, more moderate rates for second units, and very low rates (or waivers) for rent-restricted second units. Additional tools to encourage the conversion of "unintended" second units to active rental units. "Unintended" units are not considered legal second units, but have the physical characteristics to be easily converted. These spaces are particularly well suited for rent restricted units because the capital cost to create them is minimal. One possible incentive would be reductions of planning and building fees if the units are rent-restricted. Additional steps to "match" rent-restricted second units with local employees, particularly low and very low income City and School District employees. A zoning provision that would allow a second unit within an existing residence to be moved to a different location within the residence without obtaining a new second unit permit. This could be an incentive to retain existing second units in properties that are being remodeled. The addition of a standard section in every staff report for a second unit permit indicating the City's progress toward meeting its Regional H			incentives for ADUs and draft ADU plans, which may include amendments to the ADU ordinance.	

5th Cycle HEU Program Name and Number	Program Description	Objectives	Responsible Party; Timeline	Evaluation	Modify/Delete/ Continue
	be regularly reminded that the City has adopted quantified target sand is continually working to achieve those targets through the approval of rent-restricted and market rate second units. Lengthening Administrative Extensions. Administrative extensions of Planning Commission approvals of rent-restricted second units are currently available if the applicant does not pull a building permit in the first year. The current allowance is for a six month extension, subject to a fee equal to half the initial fee paid by the applicant. The City should extend the administrative extension for rent-restricted units to one year, and should consider allowing the initial approval to remain valid for 18 months rather than 12 months. Fee waivers for administrative extensions for rent-restricted units also should be considered. Additional incentives for new homes to include second units, including a waiver of second unit fees and reduced building permit fees for new homes that agree to include a rent-restricted unit.				
3.B Affordable Second Unit Public Information Campaign	second units are and why they are an essential part of the City's housing stock. The website could describe the different types of second units in the City, the regulations that govern them, and the application process. Additionally, the City would continue to use FAQs, brochures, and other print media to explain the steps for applying for an second unit, with special attention given to the homeowner benefits of applying for a rent-restricted unit. The City's local access cable station (KCOM) should also be used to convey this information. Further positive news coverage about second units could be generated through press releases and articles in the Piedmonter and Piedmont Post. This should include human interest stories about second unit owners and tenants in the City. Second unit occupants should be contacted by the City and invited to tell their stories to local reporters in a way that illustrates the "real world"	Initiate a public information and education campaign about second units, including definitions, regulations for their use, opportunities for their construction, and the various incentives offered by the City to create rent- restricted units. The campaign should add a "human interest dimension by focusing on the stories of actual second unit owners and tenants in Piedmont.	City Planner/Cons ultant; 2015	The City continues to provide information on accessory dwelling units (previously called second unit permits) to the public. Information about accessory dwelling units, including a FAQ section has been added to the City Website. As described above, the City has adopted an ADU ordinance consistent with State law.	Continue/ modify second unit language to "accessory dwelling units".

5th Cycle HEU Program Name and Number	Program Description	Objectives	Responsible Party; Timeline	Evaluation	Modify/Delete/ Continue
	applicants who considered adding an second unit, but ultimately decided not to—and applicants who received approval for a unit but then opted not to rent it. Their perspectives would be informative and could lead to changes in the program which would encourage more households to participate.				
	An important part of the City's outreach strategy should be to target owners of "unintended" second units, including single family homes that have been reported by Alameda County as having two on-site units despite City records indicating a single family home. The City already has a roster of such units (by address) and should contact owners with a letter informing them of the opportunity to apply for a market rate or rent-restricted rental unit. Efforts should also be made to contact the owners of suspected illegal second units, with a focus on legalizing these units as new rent-restricted units.				
3.C Monitoring Affordable Second Unit Opportunities	of legal and illegal second units. As noted in Program 1.D, the City is currently monitoring data on second unit rents, providing an additional source of information on this component of the housing supply. Program 3.A describes the City's intent to pursue additional development opportunities in "unintended" second units. These are spaces that are not used for habitation as separate living quarters, but have the potential for conversion to second units based on their	Monitor the supply of unintended second units, illegal or suspected second units, and vacant second units. A confidential data base listing the addresses of such units shall be maintained for administrative purposes. Recognize the potential for such properties to help meet the City's affordable housing needs, and take proactive steps to realize this potential in the coming years	City Planner, City Clerk, Building Official; Ongoing	The City implements this program on an ongoing basis, and continues to review all planning and building proposals to determine the presence of "unintended" units on Piedmont properties. Staff talks to property owners about registering these as accessory dwelling units, so that they are rentable, rather than keeping them as only personal or guest quarters.	Continue/ modify language to "Monitoring Accessory Dwelling Units Missed Opportunities"

5th Cycle HEU Program Name and Number	Program Description	Objectives	Responsible Party; Timeline	Evaluation	Modify/Delete/ Continue
	The address data base of "suspected" second units is an important resource. The potentially illegal status of such units provides leverage to convert them into rent-restricted units. The City will work with the owners of such units into convert them into legal apartments, on the condition that they either provide conforming parking or be rent-restricted to a low or very low income household. The latter option provides a "win-win" for all parties, since it provides the owner with a legal second unit and legitimate source of rental income, the City with an affordable unit, and a low income tenant with a secure place to live.				
	As noted in Program 1.D, the City also collects annual business license taxes (generally around \$200 annually) from second unit rentals. The owners of many legal units are not paying these taxes, suggesting that the units are vacant or are being used for guest quarters, family members, home offices, etc. These legal units are a housing resource for the City, and steps should be taken to incentivize their use as rental apartments. Even though they are not rent-restricted, such units are affordable to most moderate income and some low income households.				
	Finally, it is acknowledged that the City's data base of "unintended units" represents only a portion of the potential for second units in the city. There are many other homes in Piedmont that contain physical features conducive to second unit creation. This includes homes on down sloping lots with built out lower levels. The City will make an ongoing effort to expand its database of such spaces in the future as planning and building permit applications are received and as plans are reviewed. Part of the plan checking process should include an evaluation of whether the property contains an unintended second unit (i.e., does it have two kitchens? is there habitable space over the garage or in the basement or attic?) Properties should be added to the unintended unit data base over time, so that when the City does periodic mailings on second unit opportunities, these addresses are included.				

5th Cycle HEU Program Name and Number	Program Description	Objectives	Responsible Party; Timeline	Evaluation	Modify/Delete/ Continue
3.D Monitoring Additional Second Unit Development Opportunities	lots in Zone A that are larger than 20,000 square feet. These lots are more likely to have space for a new second unit, as well as room to meet the off-street parking requirements for market-rate	Monitor potential opportunities for second units within new homes and on existing homes located on larger lots that are conducive to second unit creation.	City Planner; Ongoing	On-going, the City promotes the creation of accessory dwelling units at the counter when we recognize an opportunity. Piedmont's floor area limits for new residences are relaxed when the construction of a new residence includes a new accessory dwelling unit or when required by state law. Also, per SB 9, under certain circumstances, residents will be able to apply for a second unit ministerially, as well as ministerial lot splits.	Modify second unit language to "accessory dwelling units".
3.E Incentives for Renewal of Expiring Rent Restrictions	applications. The first rent-restricted unit will reach the end of its affordability term in 2018. By the end of 2017, the City will develop a strategy for conserving these units and reducing potential impacts on tenants who may be affected by sudden rent increases. Opportunities for long-term tax abatements should be explored, if	Develop incentives for the owners of rent- restricted second units to renew the affordability restrictions for their units upon expiration of the 10-year deed restriction.	City Planner; 2017	The City has had success in producing affordable units through deed restricted ADUs, discuss cost benefit of funding continuation of units.	Modify (see Section IV of HEU).

5th Cycle HEU Program Name and Number	Program Description	Objectives	Responsible Party; Timeline	Evaluation	Modify/Delete/ Continue
	a low income tenant. Local funding sources also could be considered, depending on fiscal impacts. One possible funding source could be an increase in the rental tax on single family homes.				
Goal 4: Elimina	tion of Housing Constraints				
4.A Media Strategy	Several pamphlets and printed handouts have been prepared to explain Piedmont's design review, planning, and permitting requirements. Overtime, the City has improved and updated these materials to make them more readable and incorporate contemporary graphic design conventions. The City's website also continues to expand and improve. During the last 15 years, the website has become a more important information resource and has overtaken printed pamphlets as the preferred means of obtaining information by most customers. Many application materials are now downloadable from the web. Continued efforts should be made to improve the content and usability of information on the "Planning" homepage, and to use the web to assist residents and reduce permitting delays. New tools such as YouTube video tutorials could be considered to inform applicants of permitting procedures and requirements.	Prepare printed brochures and web- based materials which inform residents about the planning and building processes in Piedmont.	Planner/Cons ultant;	City regularly updates and improves its paper handouts and website to describe current requirements and respond to "FAQs".	Modify (see Section IV of HEU).

5th Cycle HEU Program Name and Number	Program Description	Objectives	Responsible Party; Timeline	Evaluation	Modify/Delete/ Continue
4.B Home Improvement Seminars	In the past, the City Planning Commission has held special sessions on topics such as window replacement and upper story additions. Additional Planning Commission special sessions on bay-friendly landscaping, solar panel installation, energy conservation, and other home improvements would be helpful and could ultimately make home maintenance and improvement projects more affordable for Piedmont households. Such seminars should be aired on KCOM (local access cable) to reach as broad an audience as possible. The City has set a target of providing at least two seminars during the planning period.	Conduct city-sponsored meetings, programs, and seminars which inform residents on home improvement and maintenance practices in Piedmont.	City Planner; Ongoing	In 2020, the City launched a web page dedicated to housing programs in the City of Piedmont. This approach was chosen due to COVID-19 precautions and as a way to distribute information about fair housing in Piedmont.	Modify to encourage more frequent check ins/meetings.
4.C Building Code Updates and Ongoing Enforcement	This is an ongoing program. The City should amend Chapter 5 of the City Code (the Building Code) as updates to the California Building Code of Regulations are published. Amendments reflecting local concerns may be made as needed. Particular attention should be given to standards which would encourage creation of second units in the City. There may be instances where exceptions to the Code could be considered (for instance, lower ceiling heights) to make it easier for property owners to convert unintended units into rental properties. The current second unit regulations provide such flexibility as an incentive to create rent-restricted units.	Continue to implement the California Building Code of regulations, as locally amended. Update or amend the codes as state requirements change, and as conditions in Piedmont warrant.	Building Official; Ongoing	This action is implemented on an ongoing basis and continues to be relevant.	Modify (see Section IV of HEU).
4.D Fee Review	Fees should be reviewed annually to ensure that they cover operating costs only. Planning and building fees should not be used to subsidize other City departments and services. The City should continue efforts to use a "sliding scale" for planning and building fees based on project value to reduce the cost burden on applicants for minor home improvements. Fees should also be structured to provide incentives for rent-restricted second units and other projects which provide opportunities for lower income households.	Review all planning and building fees to be sure that they cover required costs but are not more than is necessary to provide the required City services.	Finance Director/City Planner;	Planning Department fees are addressed, increased, and go into effect on July 1 st annually.	Modify (see Section IV of HEU).

5th Cycle HEU Program Name and Number	Program Description	Objectives	Responsible Party; Timeline	Evaluation	Modify/Delete/ Continue
4.E Temporary Staff Additions	As a small city, Piedmont is susceptible to fluctuations in the volume of planning and building applications. With only one building inspector, one plan checker, and a small planning staff, processing of all applications at the same speed throughout the year can be a challenge. Vacation schedules, staff absences, and staff turnover add to this challenge. Because the City is committed to customer service in its Planning and Building functions, contract staff may be hired to provide building inspection, plan checking, and planning services during peak periods or prolonged staff absences. This will continue in the future.	Add contract staff as needed to ensure prompt processing of all applications.	Public Work Director; Ongoing	This action is implemented on an ongoing basis and continues to be relevant.	Continue.
4.F Capital Improvement Plan Updates	The CIP update provides assurance that City-maintained facilities such as streets, sidewalks, and storm drains are kept in excellent condition, thereby avoiding deferred maintenance expenses for Piedmont residents. The City has created a CIP Committee to provide citizen input in this process. At least once a year, the CIP Committee should be briefed on the Piedmont General Plan and the requirement that CIP decisions be consistent with Plan policies and priorities. Funding for the maintenance and replacement of City facilities also occurs through the Facilities Maintenance Fund. The Fund was established per City Council directive in FY 2007-08. It identifies annual maintenance needs for all buildings owned by the City as well as parks and recreational facilities.	Annually update the Capital Improvements Plan (CIP) and Facilities Maintenance Fund to ensure that municipal systems are kept in good condition.	Public Works Director; Ongoing	The City has a CIP committee that advises on priority projects.	Continue.
4.G Monitoring the Effects of the City Charter	City Planning and Building Staff will continue to track annual housing production and permit activity as they have in the past, and will prepare annual reports to the Council evaluating housing and building permitting trends and the effects of the Charter as described above. These reports will specifically evaluate the Charter for impacts on multi-family housing production and costs based on various criteria such as: the failure of a citywide ballot measure associated with a proposed Zoning Map change to multi-family housing. a multi-family development proposal which has been endorsed or approved by the Planning Commission or City Council but does not	Piedmont's rent- restricted second unit program has been successful in accommodating and achieving the City's share of the regional housing need, including producing housing for very low income households. However, the Charter requires a	Annually	While the City has updated the zoning code to allow multifamily housing in the commercial zone (now mixeduse zone), the geographic limits to where these zones are applied constrains opportunities for	Modify (see Section IV of HEU).

5th Cycle HEU Program Name and Number	Program Description	Objectives	Responsible Party; Timeline	Evaluation	Modify/Delete/ Continue
	would be required. conclusions of research done by a third party finding that the City Charter constrains the ability to do multi-family housing. lack of multi-family development proposals. input from the development community, including non-profits, property owners, stakeholders and advocates on behalf of lower income households such as the Non-Profit Housing Association of Northern California (NPH), EBHO and the League of Women Voters. Based on the outcomes of the evaluation, the City will implement program and zoning changes within 12 months including, if necessary, a Charter amendment or other appropriate remedies not requiring voter approval. These remedies could include streamlining multifamily permit procedures and identifying and designating, additional sites for multifamily development within 12 months.	citywide vote for zoning map changes, which constrains the development of a variety of housing types, particularly high-density multi-family housing. To address this constraint, the City has allowed multi-family density housing in the commercial zone and created new incentives for multi-family uses. This Program supplements these two programs by monitoring and annually evaluating and reporting on the effects of the City Charter on: (a) the cost and supply of housing, particularly multifamily housing and (b) the effectiveness of City strategies to mitigate related impacts. Based on the outcome of the evaluation, the City will adopt strategies to address and mitigate identified constraints.		new housing. Housing Element includes a rezoning program.	

5th Cycle HEU Program Name and Number	Program Description	Objectives	Responsible Party; Timeline	Evaluation	Modify/Delete/ Continue
4.H Health and Safety Code 17021.5 Compliance	The California Legislature has established that cities must allow the development of employee housing commensurate with local needs. State Health and Safety Code (Section 17021.5) requires that cities treat employee housing for six or fewer employees as single family residential uses. Employee housing may not be defined as "a boarding house, rooming house, hotel, (or) dormitory." This action would amend Piedmont's Municipal Code to ensure compliance with this statute.	Amend the Municipal Code to ensure compliance with the employee housing provisions of California Health and Safety Code 17021.5.	City Planner; 2016	Not complete. Amend the Municipal Code to ensure compliance with the employee housing provisions of California Health and Safety Code 17021.5.	Modify (see Section IV of HEU).
Goal 5: Specia	l Needs Populations				
5.A Shared Housing Publicity and Media Initiative	In 2012, the City adopted Municipal Code amendments that clarified the rules for renting rooms in Piedmont homes. There had previously been a lack of clarity between the rules for "rooming or boarding houses," which were prohibited, and "rented rooms," which were neither expressly allowed nor prohibited by Code. The new rules allow a householder to rent out multiple rooms, as long as they are covered by a single lease. Thus, a senior homeowner (or any homeowner) may rent part of their house to a low income family, a single parent with child, or another household comprised of multiple persons (as well as to a single person). Renting of rooms is subject to a business license tax. As of 2012, only nine Piedmont homeowners were reporting rental income from rented rooms, suggesting the practice is limited and potentially not widely known. A public information campaign, including web-based information and news articles, is recommended to encourage additional room rentals during the planning period. The target audience for such a campaign would be persons living alone in large single family homes—as of 2010, 16% of the City's households consisted of one person only. Roughly 315 households in the City consist of seniors living alone. Home sharing can enable a live-in caregiver, or simply provide for added security and assistance for a senior householder. It also provides potential affordable housing opportunities for very low and extremely income households.	Increase awareness of Piedmont's newly modified shared housing regulations, and encourage single seniors and other small households in the City to participate in the program.	City Planner/City Administrator; 2016	The City continues to inform residents of the regulations for renting rooms. Specifically, Piedmont Municipal Code Section 17.40.020 authorizes homeowners to rent a room or multiple rooms to one tenant. While the code allows this, there are no handouts or FAQs available to this effect.	Modify (see Section IV of HEU).

5th Cycle HEU Program Name and Number	Program Description	Objectives	Responsible Party; Timeline	Evaluation	Modify/Delete/ Continue
5.B Shared Housing Matching Services	Some of Piedmont's "empty nesters" or other residents who have surplus space in their homes may wish to rent that space in return for income or care, but may be reluctant to rent to strangers. The non-profit Eden Council for Hope and Opportunity (ECHO Housing), which serves residents throughout Alameda County, operates a shared housing program which could potentially benefit these residents. The program matches persons needing housing with homeowners who have available space. Shared housing programs can also provide a resource for extremely low income households, including families as well as seniors. The ECHO program includes counseling on shared living, supportive services, and informational and referral, as well as educational workshops on home sharing. Any shared housing program in Piedmont should be designed to include extremely low income families, as well as empty nesters and other seniors. The City has set a target of achieving shared housing arrangements for at least 10 persons during the planning period. In the event the City determines that participating in the ECHO Housing program is feasible, this target will be communicated to them.	Consider participating in ECHO Housing's shared housing program as a way to improve housing opportunities for lower income seniors and extremely low income households.	City Planner/City Administrator; 2016	The City refers residents to ECHO's services when requested or the opportunity is brought to our attention.	Modify (see Section IV of HEU).
5.C Allowances for Temporary Home Improvements	Section 17.20.5(a)(vii) of the Piedmont Code creates exemptions for temporary home improvements such as wheelchair ramps. Other exemptions could be explored in the future. For example, the City could permit the addition of a first floor bathroom or bedroom without conforming parking—or the addition of a temporary second unit for a nurse or live-in aide. The construction might be permitted with the condition it be removed (or approved with a variance or CUP) when the occupancy of the home changes.	Allow Planning and Building Code exceptions for certain temporary home improvements which help Piedmont seniors remain in their homes as their physical capabilities change.	City Planner; Ongoing	Program is Complete. City Code Division 17.76 allows for reasonable accommodation to provide individuals with disabilities accommodation in regulations and procedures.	Delete.

5th Cycle HEU Program Name and Number	Program Description	Objectives	Responsible Party; Timeline	Evaluation	Modify/Delete/ Continue
5.D Assistance to Nonprofit Developers	There are several nonprofit entities in the East Bay who are actively engaged in developing housing for low and moderate income households. These builders make an important contribution to the region's housing market and have been the largest producers of affordable housing units in the area during the past decade. Although there are very few vacant or redevelopable sites in Piedmont, the City is committed to working collaboratively with the nonprofit sector in the event a viable development proposal is made. The City could also be a potential partner in the event such housing is proposed in a nearby community. Program 5.D will be implemented on an on-going basis. As development opportunities arise, the City will provide technical assistance to nonprofits in the completion and/or co-sponsoring of applications for state and federal housing funds and other grants. The City will also work with nonprofit applicants to identify and proactively address issues of concern in the community, such as traffic, parking, and design compatibility. Finally, the City will consider regulatory concessions, incentives, and other methods which reduce project costs and make the project more viable.	Provide assistance to non-profit entities interested in developing housing for low and moderate income Piedmont residents, including the elderly and others with special needs.		The City has begun assisting Habitat for Humanity in their plans to provide services to low-income residents.	Modify. Modify the program to have biannual check ins and/or dedication to help pursue grant funding.
5.E Accommodati ons for Disabled Persons	The City will work with local advocates and service providers (such as the Center for Independent Living) to provide an explanation of the process to retrofit a home to meet the needs of persons with disabilities, including developmental disabilities. Links to the websites of key service providers and advocacy organizations should be provided on the City's website. Printed information (such as brochures or FAQ handouts) produced by these organizations should be available at City Hall. This information should identify the range of features that might be incorporated in a barrier-free home, and the steps an applicant would need to take to add these features to a residence.	Provide access to printed and web- based information which describe the procedures for making a Piedmont home "barrier free"	City Planner; 2015	The City has not yet had any requests for this information but is willing to provide resources when needed	Modify. Modify the program to have information available on an "as requested" basis.

5th Cycle HEU Program Name and Number	Program Description	Objectives	Responsible Party; Timeline	Evaluation	Modify/Delete/ Continue
5.F Housing Support for Families in Crisis	Despite the absence of a visible homeless population in Piedmont, the City is located in an urban area where homelessness is a serious issue. Piedmont currently provides financial assistance to Alameda County to fund countywide programs which meet the needs of homeless persons and persons at risk of becoming homeless. The beneficiaries of these programs may include Piedmont residents as well as those in other cities. On an ongoing basis, the City will stay apprised of homelessness issues, work with homeless service providers, and offer referrals for any Piedmont resident faced with the risk of homelessness.	Support public and non- profit agencies in Alameda County which provide food and shelter for families in crisis.	City Administrator/ City Council; Ongoing	Piedmont continues to provide financial assistance to Alameda County to fund countywide programs. The City stays apprised of homelessness issues, works with homeless service providers, and will offer referrals for any Piedmont resident faced with the risk of homelessness.	Modify (see Section IV of HEU).
5.G EveryOne Home	In October 2009 the City of Piedmont joined 13 other cities in committing to work with Alameda County to alleviate homelessness. The Countywide Plan has been prepared in response to federal requirements that mandate the development of subregional plans to end homelessness. It recognizes the regional nature of the problem and the need for regional solutions. The Plan was designed to end chronic homelessness and provide more secure and permanent housing for low-income people with mental illness, HIV/AIDS, and other disabilities or high risk of homelessness. It includes a 10-year action plan, within a broader 15-year implementation plan. Participating in EveryOne Home is an important part of Piedmont's efforts to meet the housing needs of extremely low income households, as required by state law. Endorsement of the Plan by the City establishes general agreement with its strategies and provides a guide to address homelessness in a way that is consistent with other communities in Alameda County. It also represents a funding commitment by the City to countywide homeless services.	Participate in the Alameda County EveryOne Home Program, a Countywide planning effort to increase housing opportunities for extremely low income and disabled persons and strengthen the services the County provides to the homeless	City Planner/City Council; Ongoing	A count of sheltered and unsheltered homelessness individuals was conducted in January 2017. Piedmont City planning staff participated in the survey of unsheltered homeless individuals. The City of Piedmont contributes a prorata share of the funds used for operation and administration of the program.	Modify (see Section IV of HEU).

5th Cycle HEU Program Name and Number	Program Description	Objectives	Responsible Party; Timeline	Evaluation	Modify/Delete/ Continue
5.H Faith Community Participation	to promote charitable contributions and develop proactive solutions to avoid homelessness and help those at risk of becoming homeless. This includes not only housing-related programs, but	Work with the local faith community to serve residents in need within Piedmont and the greater East Bay, and to identify potential partners for meeting local extremely low income housing needs.	City Council; Ongoing	Implemented on an on-going basis. Local houses of worship continue to provide volunteerrun services (food drives, etc.) for lower income persons.	Modify (see Section IV of HEU).
5.I Second Units for Extremely Low Income Households	providing multi-family developments with units set aside for extremely low income households, and facilitating supportive and transitional housing. In smaller communities, provisions for shelters and supportive and transitional housing are required by state law, but additional steps must still be taken to meet the diverse housing needs of extremely low income residents. Based on data from the 2010 Census, 81 percent of Piedmont's households with incomes of \$35,000 or less are headed by seniors (78 of 96 households). Programs 2.A, 5.A, and 5.B focus on these residents. As these programs are administered, the City will place apriority on serving extremely low income senior applicants.	Maintain an inventory of second units that are available at rents that are affordable to extremely low income households. Explore ways to expand this inventory and encourage the development of additional extremely low income second units through the City's affordable second unit program and other means.	City Planner, City Clerk; Ongoing	The City's Accessory Dwelling Unit (ADU) ordinance is consistent with state laws that took effect in 2017- 2019. The City will need to address new incentives in 2021. This is more difficult with changes to Government Code Section 65852.2 as a result of AB2299 and SB1069. The City can no longer use exceptions to the parking requirements for accessory dwelling units as incentives for rent restrictions. The City continues to use exceptions	Modify. The City will consider other incentives to encourage the development of ADUs for extremely low income households.

5th Cycle HEU Program Name and Number	Program Description	Objectives	Responsible Party; Timeline	Evaluation	Modify/Delete/ Continue
	number of the city's second units appear to be occupied by extremely low income households who live rent-free in second units in exchange for assistance with home repair and other household chores. Such units are an important resource for extremely low income households and should be sustained. In the future, the City will explore options to increase the inventory of extremely low income housing. This is already being done through allowances for such units to be created without off-street parking if they are 300 square feet or less. It could also be done through a waiver of the business license tax, fee reductions or other incentives so that some of the very low income units produced through the affordable second unit program are suitable for extremely low income households, including seniors and persons with disabilities. Other programs in this Housing Element, including the monitoring of second unit rents (see Program 1.D), will enable the City to gauge the extent to which second units are already serving extremely low income households.			to the floor area limits for ADUs as an incentive for rent restrictions (affordable to households earning low and very low incomes).	
5.J Housing for Extremely Low Income Families	Piedmont presently allows second units to be as large as 1,000 square feet if the units are rent restricted to very low income households, including extremely low income households. The allowance for larger units if the unit is rented to a very low income household provides a strong incentive that benefits extremely low income families. A unit of this size would typically be associated with a two-bedroom apartment or carriage house, which could accommodate a three or four person extremely low income family. The City will pursue additional incentives to encourage the inclusion of units that are affordable to extremely low income households in new multi-family development. These incentives could include allowances for higher lot coverage and floor area ratios in Zone C for buildings that dedicate one or more units for extremely low income families.	Develop incentives to meet the needs of Piedmont's extremely low income households potentially including modified development standards for new multifamily buildings that include units for extremely low income families	City Planner, Building Official; 2016	The City currently does not have clear incentives for extremely low income units. The City will consider incentives (like reduced parking).	Modify. Modify the program to outline suggested incentives.

5th Cycle HEU Program Name and Number	Program Description	Objectives	Responsible Party; Timeline	Evaluation	Modify/Delete/ Continue
5.K Developmenta Ily Disabled Residents	Developmentally disabled residents include those with cerebral palsy, autism, epilepsy, and other conditions that typically appear before an individual reaches 18. Supportive housing is often required for such individuals to lead independent lives upon adulthood. As required by state law, the City will continue to work with social service providers to explore opportunities for such housing within Piedmont. The City will also maintain communication with the Regional Center of the East Bay to identify service needs within the City and to identify available resources for local residents. The City participates in this program on an ongoing nature.	Coordinate with the Regional Center for the East Bay, the East Bay Housing Consortium, and other organizations to better respond to the housing needs of developmentally disabled Piedmont residents and ensure that sufficient resources exist within and around the community to meet these needs.	City Planner, Building Official; Ongoing	City participates in an ongoing nature.	Modify (see Section IV of HEU).
Goal 6: Sustain	ability and Energy				
6.A Title 24	The City will continue to require compliance with the Title 24 energy efficiency standards established by the California Energy Commission. Adhering to these standards can reduce energy costs in new construction by as much as 50 %.	Continue to enforce Title 24 requirements for energy conservation.	Plan Checker (Public Works); Ongoing	Compliance with Title 24 is standard practice in the City	Continue/Modi fy. This program now acknowledges Reach codes.

5th Cycle HEU Program Name and Number	Program Description	Objectives	Responsible Party; Timeline	Evaluation	Modify/Delete/ Continue
6.B Green Housing	tools such as the "Build it Green" checklist to encourage greener	Explore ways to encourage and incentivize greener residential construction. California and PACE programs.	Building Official/City Planner; Ongoing	The City recently adopted REACH Codes to encourage sustainable design and retrofits. The City follows the California Green Building Code. Building Permits for residential solar energy systems are expedited with a flat fee. City participates in Energy Upgrade California and PACE programs.	Continue.
6.C Renewable Energy Funding Assistance	(CSCDA) and the California FIRST Program. More recently, the City has been participating in Energy Upgrade California, a statewide program that provides financial assistance for homeowners for select energy-saving home improvements. The program includes energy assessments and physical improvements that reduce energy loss and improve energy efficiency. It	Participate in Energy Upgrade California or equivalent programs which assist homeowners with renewable energy and energy efficiency improvements on their property.	City Planner; Ongoing	City continues to participate in Energy Upgrade California, Bay Area SunShares and PACE programs. Building Permits for residential solar energy systems are expedited with a flat fee.	Continue.

5th Cycle HEU Program Name and Number	Program Description	Objectives	Responsible Party; Timeline	Evaluation	Modify/Delete/ Continue
6.D Financial Assistance	These programs include: Energy audits, which may be provided by PG&E or private vendors. Rebates (sponsored by non-City entities) for the use of energy efficient appliances, and for the recycling of less efficient appliances. The federal Low Income Home Energy Assistance program (LIHEAP), which offers qualifying low income households financial assistance to offset energy costs (through weatherization or assistance in paying energy bills). "REACH" (Relief for Energy Assistance through Community Help), which is a PG&E program administered by the Salvation Army that provides energy assistance to low-income customers in the form of onetime payments for energy costs. CARE (California Alternate Rates for Energy) and FERA (Family Electric Rate Assistance), both programs which provide rate discounts for lower income households. A Medical Baseline Allowance for persons with high medically related electric bills. Information on these programs should be kept at the Planning and Building counter for interested residents, and should be accessible via links on the City's website.	Promote the use of programs which reduce residential energy costs.	Building Official/City Planner; Ongoing	City promotes REACH Codes and energy reduction programs as a part of the Climate Action Plan. Building Permits for residential solar energy systems are expedited with a flat fee. City participates in Energy Upgrade California and PACE programs.	Continue.
Goal 7: Equal	Access to Housing				
7.A Public Information	This is an ongoing program that will be continued in the future. Pamphlets on fair housing laws and procedures are kept at the Planning and Building Counter. Materials should be provided in English, Spanish and Chinese to ensure that those in need are made aware of their fair housing rights. This information, including links to ECHO housing's website, should also be posted on the City's website. In 2020, the City updated its website and created a fair housing programs webpage with information for residents.	Provide printed information on fair housing laws at city Hall and web based information on the City's website.	City Clerk; Ongoing	On-going program. In 2020, the City updated its website and created a fair housing programs webpage with information for residents.	Continue.
7.B Fair Housing Referrals	The City presently refers discrimination complaints to the ECHO Housing, a Countywide non-profit agency. If mediation fails and enforcement is necessary, tenants may be referred to the State	Continue the City's referral arrangement with ECHO Housing on fair	City Clerk/City	On-going program.	Continue.

5th Cycle HEU Program Name and Number	Program Description	Objectives	Responsible Party; Timeline	Evaluation	Modify/Delete/ Continue
	on the complaint.	housing issues and discrimination complaints.	Planner; Ongoing		

Appendix E: Meeting Summaries

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Section E.1

Focus Group Meeting Summary

Joint PC/HAC Meeting Summary 6th Cycle Housing Element Update

City of Piedmont

Focus Group Meeting Summary

Overview

The Lisa Wise Consulting, Inc. (LWC) with its Consultant Team, including Plan to Place, conducted five stakeholder focus group meetings as the kick-off of a comprehensive public engagement process for the 6th Cycle Housing Element Update. The 60-minute meetings were held over 3 days via Zoom, on Monday, July 19th, Thursday, July 22nd, and Friday, July 23rd. The Consultant Team met with representatives of local businesses, civic institutions, property owners, business owners/operators, housing advocacy and special interest groups, developers, residents, realtors, civic leaders, and former and current elected and appointed officials. The objectives of the meetings were threefold: 1) provide the community with an overview of the process and purpose of the Housing Element Update; 2) solicit feedback on housing related issues, constraints, and opportunities; and to 3) inform future policy and program recommendations.

LWC began the meetings with a PowerPoint-supported presentation on the purpose, mandates, and components of the Housing Element and the update process, followed by a facilitated discussion on questions about fair housing, how to engage a range of demographics and special needs groups, housing development opportunities and constraints, impacts on local businesses and organizations, and housing policy and program recommendations to consider. Participants were encouraged to respond using their microphones, and the chat function was also available to capture written input. The meetings were held without City staff present, to encourage open dialogue. Participants were informed their participation was voluntary and confidential, with all notes being reported out in aggregate, and not tied to any one individual. See Attachment 1 for the presentation and Attachment 2 for the list of questions discussed.

The Consultant Team invited 64 individuals to the focus groups via email on July 8, 2021 and the City and Consultant Team followed up with reminder emails the week of July 12th and July 19th. A total of 27 individuals RSVP'd and 23 individuals participated in the scheduled meetings. Two participants that were unable to attend the scheduled meetings were able to provide written feedback, which has been incorporated into the notes below. Given the City's goal of engaging all economic segments of the community, the following individuals and groups were invited to participate in the focus group meetings:

Community Organizations and Housing Advocates

- Piedmont Anti-racism & Diversity Committee (PADC)
- Piedmont Racial Equity Campaign

- Piedmont Unified School District
- Piedmont Education Foundation
- Corpus Christi School
- Piedmont Community Church
- Zion Lutheran Church
- Plymouth Church
- Piedmont Connect
- Piedmont Historical Society

Businesses

- Mulberry's Grocery
- Kehilla Synagogue
- Ace Hardware
- Graff Architects
- Jarvis Architects
- John Malick & Associates

Realtors

- Compass Real Estate
- Ellwood Commercial Real Estate
- Pacific Union Real Estate
- Heafey Commercial
- Highland Partners Real Estate
- The Grubb Co. Real Estate Agency

Civic Leaders, Elected and Appointed Officials

Various

Property Owners

Various

Summary and Feedback

The following is a summary of input received from the five focus group meeting participants, as well as written feedback. Comments are listed in no particular order and, unless otherwise noted, being listed below not indicate group consensus on any topic or recommendation. The responses are organized by topic: Housing Needs, Fair Housing, Housing and Development Constraints, Site Inventory, Policy and Program Suggestions, and Other Topics which captures important comments that don't fall under any of the categories.

Housing Needs

- Housing in Piedmont is very expensive, this impacts the population by limiting who can live in Piedmont. Many people cannot afford to live in Piedmont, such as young adults who grew up in Piedmont, people who work in Piedmont, and families who have children that attend school in Piedmont.
- There is an interest/need in housing including:
 - housing for employees that work in Piedmont (City staff, teachers, education administrators, teachers, police, firefighters, etc.) and others that serve the community
 - more affordable and mixed-use housing development
 - more housing for seniors
 - smaller homes (less than 2,000 sq. ft.)



- apartments attractive to families
- small units (400 sq. ft.) to accommodate students, single parents, and young professionals

Fair Housing

- Housing Element should consider multiple sites to promote mixing types of housing and avoiding housing segregation.
- Concern that development is disproportionately 'packed' into certain areas of Piedmont rather than being spread across neighborhoods (e.g. Housing is located on Grand Avenue corridor rather than in upper Piedmont where there are larger properties and more space).
- Need to change negative perceptions and assumptions about affordable housing, low-income residents, density, neighborhood change, etc.
- Desire of some residents for more political will and to promote more progressive housing policy.

Housing and Development Constraints

- Developing apartments with uncoupled parking (consensus that these apartments will rent/sell; as did the Irving-Gil apartments).
- The cost of land and housing is a significant constraint to housing access and future development.
- Limited properties available to accommodate multi-family housing units under current zoning.
- Current zoning at 20 du/acre is specifically designed to maintain low density and prohibits development of affordable and moderate units.
 - 408 Linda Townhomes (for-sale product) sold for over \$2 million each because there is so much demand and the current zoning only permitted 7 units on site.
- Currently, the only viable multi-family zoning areas are along Grand Avenue and Highland Avenue.
- Housing stock has low turn-over, (25% of the population is not moving); partially due to rising housing costs and an aging population living in houses with multiple bedrooms.
- For-sale properties are affordable to only a very affluent demographic and are going for much more than asking price.
 - However, some market trends are showing many large homes and estates in Piedmont are vacant and selling for less than the expected price per s.f, indicating these homes may be too large

Site Inventory

- Geographic opportunities to be considered for multi-family housing include:
 - Blair Park
 - Dog Park on Linda Avenue
 - East Bay MUD (EBMUD) Reservoir
 - · Coaches Field on Moraga Avenue
 - Upper Piedmont
 - City Center

Policy and Program Suggestions

• Partner with neighboring and regional organizations (land trusts, non-profit housing developers, and others).

- Include voices outside of Piedmont, as historically excluded voices that represent population in need of housing should be included.
- Add a parcel tax on top of the property tax to fund affordable housing.
- Incentivize Accessory Dwelling Units (ADUs) and Junior Accessory Dwelling Units (JADUs).
 - JADUs could potentially satisfy RHNA low-income requirements.
- Incentivize multi-family construction through the following policy changes:
 - Modify or eliminate parking requirements, particularly off-street, covered parking.
 - Revise the review process (no longer requiring oversight from the Planning Commission).
 - Remove minimum lot and frontage size requirements.
 - Re-evaluate zoning to match that of surrounding neighborhoods, with a minimum of 35-40 du/acre
 - Reduce minimum buildable lot size to 4,000 sq. ft.
 - Reevaluate the minimum lot size required for lot splits.
 - Currently 10,000 sq. ft. is minimum lot split, but average lot size is 4,00 sq. ft, and median is 3500 sq. ft.
- Promote an increase in housing/ density by describing the benefits can bring, e.g. more vitality and street life.
 - In order to accommodate ground floor uses, commercial code in Piedmont would need revision
- Follow the Portland, Oregon model and incentivize the renovation of large estates and single-family homes into multi-unit apartment buildings or condos with ADUs.
- Develop City buildings in Piedmont Center to accommodate housing.
- Consider donating/subsidizing land for multi-family development.
- Adopt Objective Design and Development Standards to remove personal bias and interpretation from design and development process, and provide more predictability in the design review process.
- Engage real estate firms and developers that have DEI training.
- Provide public outreach and education to message:
 - Benefits that come from density
 - What is affordable housing and who does it serve
 - Diversity is a community benefit
 - Climate-responsible development (re-evaluate parking, electric charging stations, walkability, etc.)
 - The importance of sharing community resources

Impacts on School Systems

- Schools may have limited capacity to accommodate more students.
- What is the potential impact of additional housing units on (schools) capacity? Benefits?
- Current Piedmont student population is in decline.
- PUSD has shifted from a closed school district to an open enrollment district.
- Most of the students and staff at private schools in Piedmont live in Oakland.

Conclusion

All comments received are a useful and key component to understanding needs, opportunities, and constraints to housing development in Piedmont. The City and Consultant Team will refer to this input when drafting the Housing Element, although not all recommendations may be incorporated into the Housing Element due to a variety of factors including logistics, conflicts



with other City policies or priorities, not consistent with State law, or budget constraints for implementation. There will be additional opportunities for participation, including meetings and digital engagement tools, throughout the Housing Element Update process. Please visit Piedmontishome.org to subscribe to news updates and access meeting materials and documents as they are available.

Section E.2 Joint PC/HAC Meeting Summary

City of Piedmont
6th Cycle Housing Element Update
Joint Planning Commission/Housing Advisory Committee Public Hearing #1

Wednesday, September 29, 2021, at 5:30 pm Zoom Webinar

Introduction

On September 29, 2021, the City of Piedmont hosted a virtual joint Planning Commission and Housing Advisory Committee (HAC) meeting, the first of a series of public meetings for the 6th Cycle Housing Element Update project. The meeting was opened by Rani Batra, Chair of the Planning Commission, who explained the process for members of the public to provide their comments during the hearing. Chair Batra introduced City staff and David Bergman, Director, and Kathryn Slama, Senior Associate, at Lisa Wise Consulting, Inc. (LWC), who presented on the following topics:

- 1. Housing Element Basics
- 2. Piedmont 6th Cycle Housing Element Update
- 3. Public Engagement Process
- 4. Next Steps for the Piedmont Housing Element Update

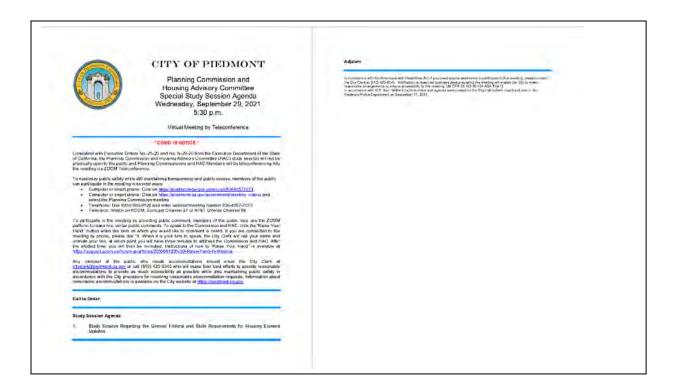
The presentation included the purpose of the Housing Element, components of a Housing Element, and the project timeline. The presentation also provided discussion of the Regional Housing Needs Allocation (RHNA) for Piedmont broken down by income group, as set by the Association of Bay Area Governments (ABAG).

The Planning Commission and HAC had open discussion on each segment (1 through 3, above). At the end of the meeting there was time for public comment and questions about the Housing Element update process. The City encouraged attendees to remain active in the update process, including attending future public workshops and hearings and visiting the City's Housing Element Update website, Piedmontishome.org.

Format

The joint study session was facilitated by City staff, with a presentation from LWC. Due to COVID-19 conditions, the meeting was held virtually via Zoom. Public participants were able to access the meeting by computer or by phone. Participants were encouraged to provide feedback on the presentation and Housing Element document verbally at the meeting or by sending written comments. There were four community members who provided verbal comment during the hearing and three community members who submitted written comment in advance of the hearing.

The City prepared a public meeting notice that was published on the City's website, sent through the City's email newsletter, as well as on Piedmontishome.org (see below).



The meeting was recorded and posted on the City's Housing Element Update <u>webpage</u> so it may be viewed at any time. The staff report and presentation were posted on the same webpage prior to the meeting. The City's project contact information was included in the presentation to facilitate additional comments or questions being provided at any time via phone or email.

Summary of Comments

The following is a summary of questions and discussion during the public meeting. This includes questions generated both from Planning Commission and Housing Advisory Committee members, as well as questions from members of the public.

- How do the new housing laws affect this housing element update process? The new housing laws recently signed into law impact the timeframes that apply to the City's Housing Element update, although the impact of some laws on housing production assumptions is not yet known. Cities are now required to circulate a draft Housing Element for public comment before the document is sent to HCD. The City already accounted for this in the schedule, so there is no impact. HCD now has 90 days to review the first draft, so the City will adjust the timeline to account for the additional time.
- Does the fact that recent housing legislation impacts timeframes necessitate that Piedmont reconsider its originally proposed timeframes? No, the City has been proactive and started the Housing Element update process early, so staff does not see issues with the City's ability to complete the Housing Element update process within all State-mandated deadlines.

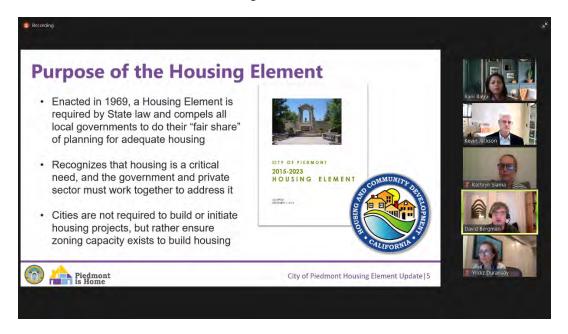
- Are there other impacts from the new legislation that will impact Piedmont? This is not known at this time. New laws do not mandate lot splits or building additional units, although that is an option under certain circumstances. Because these laws are new, there is no precedent to how the legislation may or may not increase the numbers of these types of requests. HCD does provide official guidance regarding the implementation of new housing laws from time to time, so the Team will be alerted to any new guidance provided by the State, and will inform legislative and appointed bodies, and the public, accordingly. In addition, some of the new housing laws may be litigated, and so could change.
- Does the State allow timeline extensions for the housing element update? Not technically, but the State does allow for a 120-day grace period. The City's deadline is January 31, 2021, but if the City were to adopt its housing element within 120 days from that date, the City would still be in compliance (although recent legislation sets stricter criteria for adoption).
- Can the City include sites that were identified in previous housing element updates but were never built out in its current sites inventory? There is some allowance, under various criteria, to use previously identified sites. The City must show that reused sites don't have unnecessary constraints and can realistically develop. For example, vacant lots can be used. For nonvacant sites, the City must demonstrate that market pressure and trends are such that the site may redevelop with residential, develop additional units, or an accessory dwelling unit.
- How does the City make room for housing for families in its site analysis, given the
 lack of vacant land in Piedmont? The City will conduct a screening process to analyze
 sites that may be underutilized, given possible entitlements that may be allowed by the
 zoning code. It is likely that the City will require a nuanced, parcel-by-parcel approach to
 find realistic opportunities. The housing element update will include additional programs
 to provide incentives to help meet stated housing goals.
- When can the public expect to participate in further engagement activities? The City plans to release videos toward the end of October with information regarding housing element basics, the Regional Housing Needs Allocation, and Housing Element components. The PiedmontlsHome.org website is the central platform for information for this project and interested persons can sign up for email updates. Interested persons can also email Planning Division staff with questions. Lastly, the City will host a virtual community website on December 2, 2021, in which the team will provide information on analyses on housing constraints and needs assessment.
- When must the City have the zoning capacity to support its housing plan? The City
 has three years from the date of adoption to modify zoning regulations (if needed) to
 ensure adequate capacity for the RHNA. The sites must have already been identified by
 the time of adoption. (note: recent legislation may impact deadline for rezoning, if needed)
- How will SB 9 impact our student-to-teacher ratio in our public schools? This is something that will be considered, but the State does not allow cities to disapprove

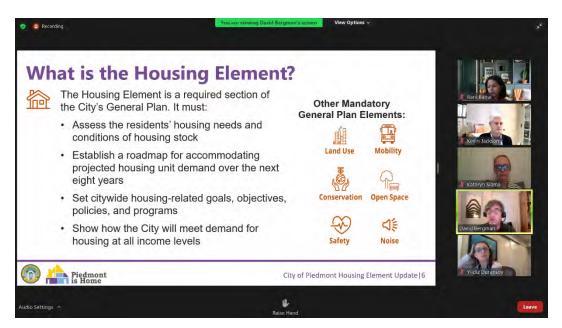
housing projects or to decide not to allow for additional housing capacity through zoning because of concerns to school classroom sizes.

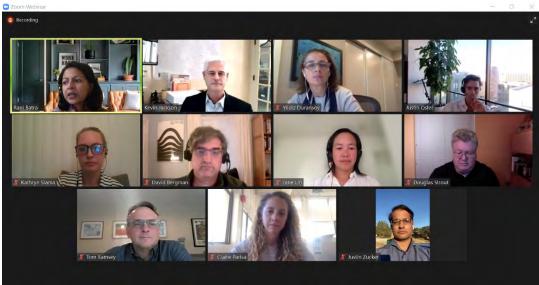
- What are we going to do to engage people that want to live here but can't afford to? The City has plans to identify nonprofits or others that can give feedback. This includes real estate professionals, who are in contact with people both looking to buy and rent in Piedmont. Also, the City sent out a fair-housing survey targeted to employers and urged them to distribute them amongst employees, especially employees who may not live in Piedmont.
- Will Measure A-1 be addressed in the implementation plan? The City is looking at many different funding streams through its Housing Element update efforts.

Screenshots

Screenshots from the Public Meeting are included below:







COMMUNITY WORKSHOP #1 SUMMARY

Format: Zoom Virtual Meeting | December 2nd, 2021, 5:30-7:00pm

The purpose of the Housing Element Update Community Workshop #1 was to provide an overview of the Housing Element process and the components of a Housing Element, share background information and preliminary findings from housing needs and constraints assessments, and gather questions/comments from meeting participants about critical housing issues, and needs and goals for housing in the City of Piedmont. Feedback received will inform the content of future outreach events and will guide the preparation of the Housing Element Update.

The community meeting was held virtually via Zoom on Thursday, December 2nd, 2021 from 5:30-7:00 pm and was facilitated by City staff and the consultant team (Lisa Wise Consulting, Inc. and Plan to Place). All materials were made available and posted on the project website prior to the meeting. Approximately 55 members of the public attended. The meeting agenda is outlined below:

- 1. Welcome & Introductions
- 2. Housing Element Overview
- 3. Frequently Asked Questions (FAQs)
- 4. Community Engagement Overview
- 5. Summary of Initial Findings
- 6. Participant Q&A
- 7. Small Group Discussion + Report Back
- 8. Closing and Next Steps

Following the Community Workshop, an online Feedback Form was available for members of the community who could not attend the workshop to provide feedback on issues discussed in the meeting. This online feedback form was made available until January 15, 2022 and results are incorporated in this summary. The slides from the December 2 workshop presentation are included as an appendix to this summary. This summary is organized by the feedback from each of the agenda items listed above.

ATTENDANCE

Meeting participants: approximately 55 attendees

City Staff

- Kevin Jackson Planning and Building Director
- Pierce Macdonald

 Senior Planner

Consultant Team

- Lisa Wise Consulting, Inc. David Bergman, Kathryn Slama, Stefano Richichi
- Plan to Place Dave Javid, Paul Kronser



WORKSHOP SUMMARY

Dave Javid from Plan to Place, Kevin Jackson, and Planning Commission Chair Rani Batra opened the meeting by welcoming attendees, introducing the team, giving an agenda overview, and opening the demographic live poll (results provided below). After the poll closed, Kathryn Slama from Lisa Wise Consulting, Inc. (LWC) gave a presentation on the Housing Element process which included the purpose and history, state requirements for Housing Elements, and an introduction to the Association of Bay Area Governments (ABAG) and Regional Housing Needs Assessment (RHNA). After the presentation, Kevin Jackson addressed several frequently asked questions regarding the RHNA appeals update, barriers to housing development, and City Council authority. The following is a summary of the live demographic poll that was administered at the beginning of the meeting and responses from the online Feedback Form made available after the meeting:

Demographic Poll (full results in the appendix)

- 1. Where do you live? (select one)
 - 97% live in Piedmont
 - 2% live in Alameda County but not Piedmont
 - 2% live outside of Alameda County
- 2. Where do you work? (select one)
 - 32% work In Piedmont (including remote work)
 - 10% do not work Piedmont, but in Alameda County
 - 24% work outside Alameda County
 - 27% are retired
 - 2% do not work or are looking for work
 - 6% do not work and are not looking for work
- 3. Which of the following describes why you decided to attend tonight's workshop? (select all that apply)?
 - 37% want to know more about the Housing Element update process.
 - 2% want to know more about obtaining housing in Piedmont
 - 37% want to support more housing development in Piedmont
 - 24% are concerned about more housing development in Piedmont
- 4. Have you participated in other Housing Element events?
 - 48% yes
 - 52% no



HOUSING ELEMENT UPDATE | 2

5. What is your current housing situation?

- 93% own a home
- 3% rent a home
- 3% live with family/friends
- 1% other

6. What type of housing do you live in?

- 98% live in a house
- 2% live in an apartment

7. Please indicate which of the following do you identify with (select all that apply).

- 5% Hispanic or LatinX
- 9% Black, Indigenous, or Person of Color
- 5% Single-parent household
- 5% Household with 5+ persons
- 29% Person of age 62 or older
- 3% Veteran
- 34% Don't identify with any of these categories
- 10% Prefer not to answer

8. Which bracket best describes your household income?

- 3% Less than \$41,000
- 1% \$41,101 to \$68,500
- 6% \$68,501 to \$109,600
- 10% \$109,601 to \$150,700
- 79% \$150,701 or more

Dave Javid then gave a brief presentation on the community engagement process and strategy, which included community input to date and upcoming activities for the public to participate in. Next, Kathryn provided a summary of initial findings of analysis of housing needs and housing constraints, followed by an opportunity for any clarifying questions from the meeting participants.

Following the presentation portion of the workshop, Dave Javid guided workshop participants through an online live poll to gather feedback on housing in Piedmont. This provided attendees a preview of the topics to be covered in the small breakout rooms (see the Appendix for the poll results).

Prior to breaking into small groups, Dave Javid gave an overview of the Zoom software's meeting room logistics and then opened the rooms into which participants were randomly assigned. A facilitator and note taker from the project team were assigned to each breakout room.

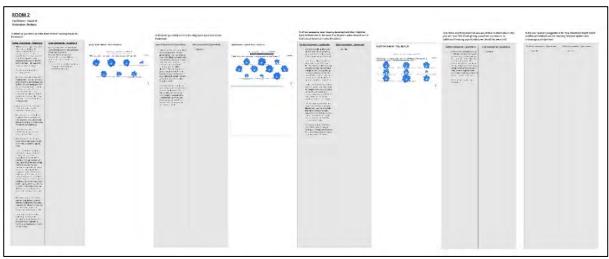


HOUSING ELEMENT UPDATE | 3

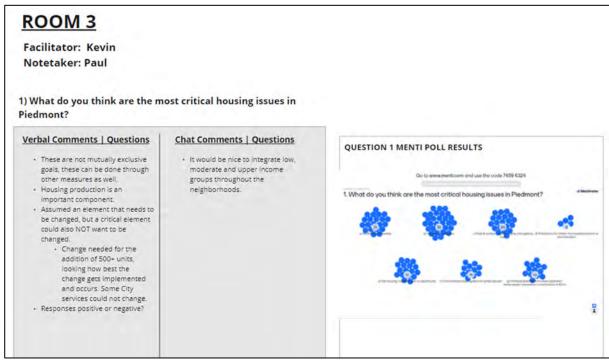
Housing Element Update

SMALL GROUP DISCUSSION SUMMARY

The remainder of the meeting was devoted to gathering input from meeting participants through facilitated small group discussions. Feedback was recorded in three breakout rooms on a virtual whiteboard (see snapshot below) in response to the discussion prompts, provided below. The summary below provides a high-level overview of themes that emerged from the small group discussions and open-ended responses submitted through the online Feedback Form. The numbers in parenthesis indicate the number of times the referenced comment was expressed in the small groups and through the online feedback form.

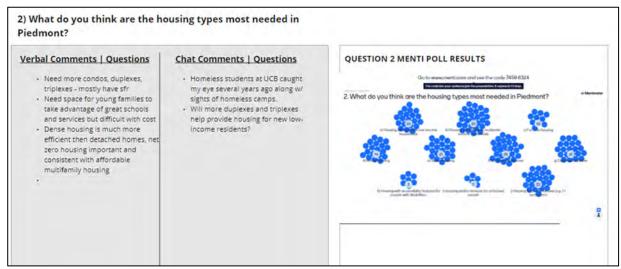


Example of notes taken on virtual whiteboard during the small group discussion. Results from the Menti poll (shown as blue dots, above) are provided in the bar graphs in the Appendix, starting on page 7.



Example of notes taken on virtual whiteboard during the small group discussion. Results from the Menti poll (shown as blue dots, above) are provided in the bar graphs in the Appendix, starting on page 7





Example of notes taken on virtual whiteboard during the small group discussion. Results from the Menti poll (shown as blue dots, above) are provided in the bar graphs in the Appendix, starting on page 7

Small Group Discussion Prompts

The following discussion prompts were used to facilitate the discussion with meeting participants in the small groups.

- 1. What do you think are the most critical housing issues in Piedmont?
- 2. What do you think are the housing types most needed in Piedmont?
- 3. When assessing new housing development that might be built in Piedmont in the next 8 to 10 years, what should be the City's most important considerations?
- 4. Is there anything else that you would like to share about why you are here this evening? Any questions, comments, or additional housing opportunities we should be aware of?
- 5. Do you have any suggestions for how Piedmont might solicit additional feedback on the Housing Element Update and encourage participation?

Main Takeaways

What do you think are the most critical housing issues in Piedmont?

- School enrollments continue to decline due to lack of affordable housing. (7)
- Concerns that there isn't enough affordable housing for seniors, schoolteachers and people that serve the community. (3)
- A current limitation in Piedmont is the lack of variety of housing types and price points. (2)
- The housing element should address more than just the housing crisis, including homelessness, racial segregation, and wealth inequality. (2)
- Lack of new housing being built due to physical constraints including lot size and availability. (2)

What do you think are the housing types most needed in Piedmont?



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City of Piedmont | E-19

- Desire for dense housing other than single-family units, including apartments, condos, duplexes, triplexes, and accessory dwelling units. (7)
- Affordable housing located close to transit opportunities is highly desirable and will create more
 opportunities where daily car use isn't necessary. (3)
- Allow more density throughout the single-family zones. (1)
- Senior housing is needed as the population moves into those categories. (1)
- Housing location and access to amenities and services is an important consideration. (1)

When assessing new housing development that might be built in Piedmont in the next 8 to 10 years, what should be the City's most important considerations?

- Provide affordable housing for those in the service industries including firefighters, City staff, and teachers. (5)
- Prioritize a housing stock that brings diversity to Piedmont including young families attracted by the schools. (3)
- With limited available space, there is an interest in redeveloping and rezoning existing, under-used retail/commercial areas to be residential mixed use (2)
- Think outside the box and evaluate how the existing built space can be used differently to increase the housing stock by converting large single-family homes into multiple units. (1)

Is there anything else that you would like to share about why you are here this evening? Any questions, comments, or additional housing opportunities we should be aware of?

- Leave existing open spaces as they are, and prioritize housing in areas already designated for housing. (3)
- When planning for family housing, consider the different types and needs. (1)
- There are many mixed-use opportunity sites throughout the city that could be utilized for workforce housing, reducing the need to commute from surrounding Cities. (1)

Do you have any suggestions for how Piedmont might solicit additional feedback on the Housing Element update and encourage participation?

- Consider reaching out to the youth, middle and high school students through classroom discussions, programs, and clubs. (1)
- Find ways to reach out to surrounding areas where people don't live in Piedmont but would like to. (1)
- Establish a group of Housing Element ambassadors to provide outreach in neighborhoods. (1)
- Mail letters to all homeowners in Piedmont. (1)

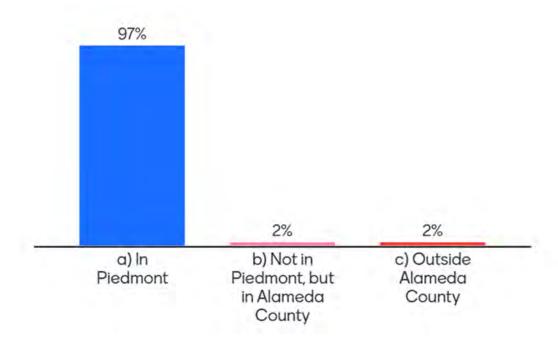


HOUSING ELEMENT UPDATE | 6

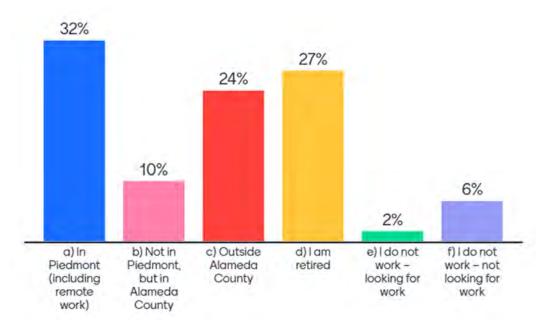
Appendix

DEMOGRAPHIC LIVE POLL RESULTS

1. Where do you live?



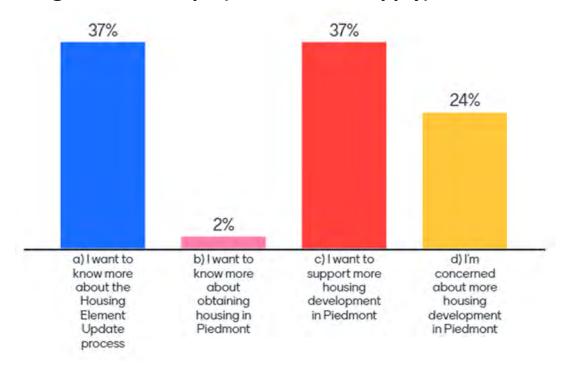
2. Where do you work?



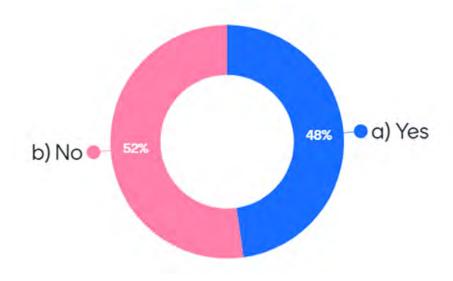


HOUSING ELEMENT UPDATE | 7

3. Which of the following describes why you decided to attend tonight's workshop? (select all that apply)

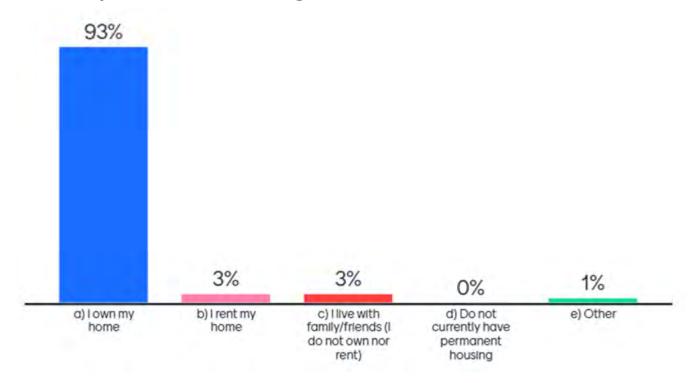


4. Have you participated in other Housing Element events?

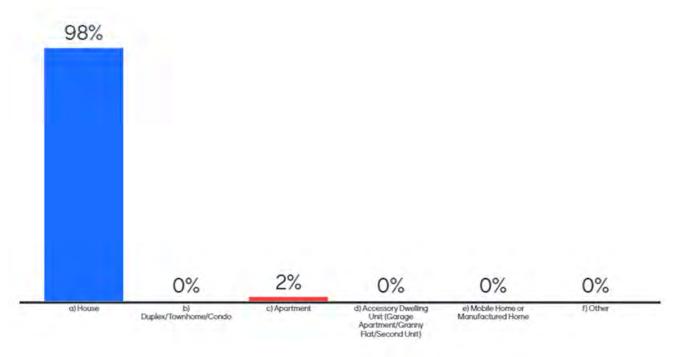




5. What is your current housing situation?



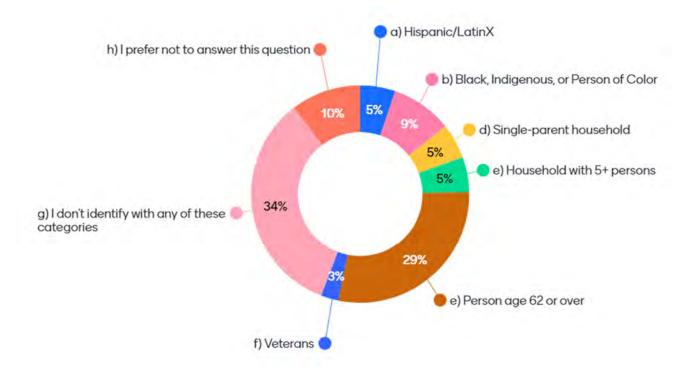
6. What type of housing do you live in?



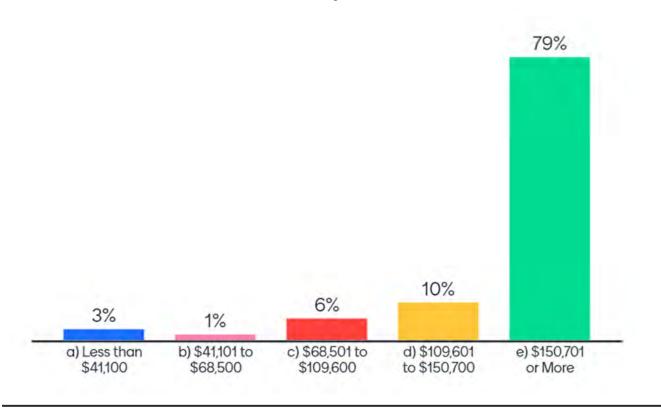


HOUSING ELEMENT UPDATE | 9

7. Please indicate one or more of the following categories with which you identify.



8. Which bracket best describes your household income?

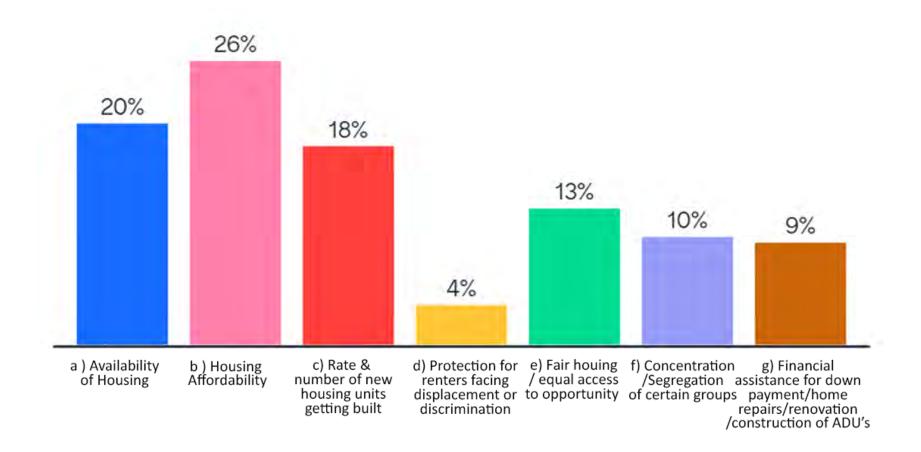




Appendix E: Meeting Summaries

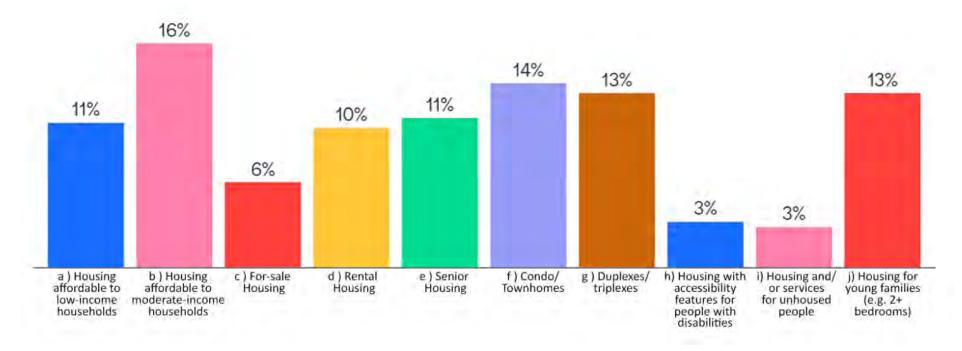
HOUSING IN PIEDMONT LIVE POLL RESULTS

1. What do you think are the most critical housing issues in Piedmont?



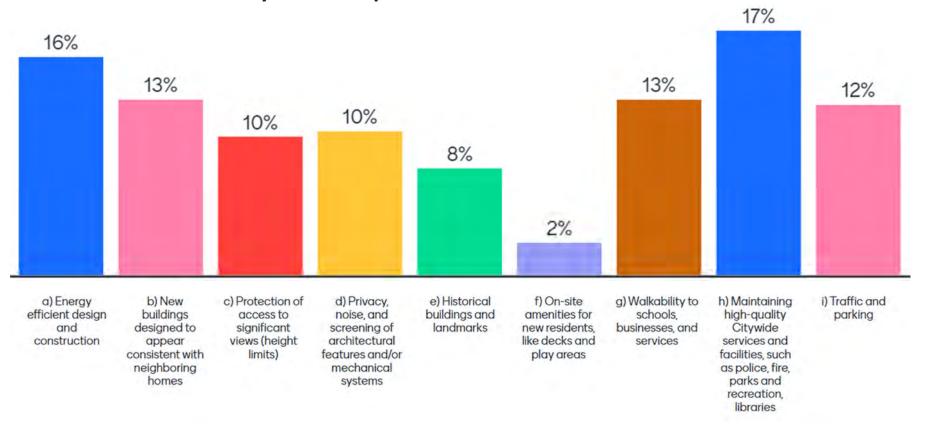


2. What do you think are the housing types most needed in Piedmont?



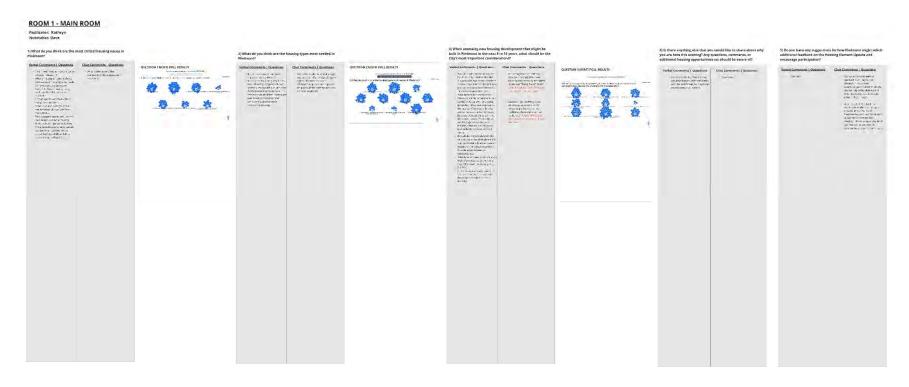


3. When assessing new housing that might be built in Piedmont in the next 8-10 years, what should be the City's most important consideration?





MIRO BOARDS

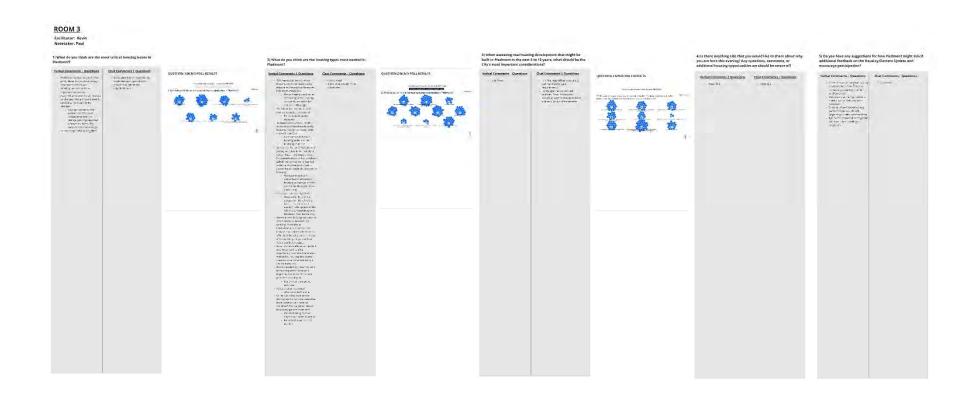




HOUSING ELEMENT UPDATE | 14

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HOUSING ELEMENT UPDATE | 16

MIRO ROOM 1 VERBAL AND CHAT COMMENTS

1) What do you think are the most critical housing issues in Piedmont?

Verbal Comments | Questions

- First three noted as most critical as all seem related. +1
- What's missing is housing choice and variety of housing types, leads to homogenous population
- Not a lot of new housing being built and therefore not a lot available
- Lost of people want to live here and places are high
- Grand Ave and near gas station are sites that will work well for multi-family
- Reducing parking req per unit will help incentivize more housing
- Allow to build right up to lot line, more realistic given size of parcels
- Contradiction between those actual buying and those taking surveys or providing info

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Chat Comments | Questions

 What is the cause of the availability of housing issues in Piedmont?



Appendix E: Meeting Summaries

2) What do you think are the housing types most needed in Piedmont?

Verbal Comments | Questions

- Need more condos, duplexes, triplexes - mostly have sfr
- Need space for young families to take advantage of great schools and services but difficult with cost
- Dense housing is much more efficient then detached homes, net zero housing important and consistent with affordable multifamily housing

Chat Comments | Questions

- Homeless students at UCB caught my eye several years ago along w/ sights of homeless camps.
- Will more duplexes and triplexes help provide housing for new lowincome residents?

3) When assessing new housing development that might be built in Piedmont in the next 8 to 10 years, what should be the City's most important considerations?

Verbal Comments | Questions

- Work in Piedmont but not able to live in the City. Services that the City provides and school district is a draw, important to highlight as a motivation to move to Piedmont.
 +1 - schools second to non
- · Wish there was more diversity +1
- Struck by trends in Piedmont, with combo of low growth and aging population. Best was to preserve the quality of services, vibrancy and schools is to allow for more housing, Doing nothing will have the most harmful effect without working age population and families with kids the things we love (schools, services, etc.) will erode
- Provide housing for those in the service industries (firefighters, City staff) and others to allow them to be part of the school population.
 Provide opportunities, or additional aid.
- What type of housing will bring the type of diversity we are wanting (e.g., ADUs may not bring young families).
- And there is a capacity issue in the schools so we need to consider those impacts with increased housing.

Chat Comments | Questions

- Interesting that aesthetics were not valued among this crowd.
 What do they mean by aethetics?
 Landscape? Trees, Parks? Scale?
 CAME THROUGH CHAT TOWARD THE END OF THE MEETING
- Question do you know what percentage are single family homes in piedmont are not marked as the owners primary residence? - CAME THROUGH CHAT TOWARD THE END OF THE MEETING

4) Is there anything else that you would like to share about why you are here this evening? Any questions, comments, or additional housing opportunities we should be aware of?

Verbal Comments | Questions

When considering families they could be in many different forms and live in different housing types, have to keep that in mind.

Chat Comments | Questions

Type Here

5) Do you have any suggestions for how Piedmont might solicit additional feedback on the Housing Element Update and encourage participation?

Verbal Comments | Questions

Type Here

Chat Comments | Questions

- You could consider getting feedback from high school students in civics class
- people will get involved when we stop talking in the abstract and start discussing actual sites and actual policy changes
- How to solicit feedback: To Nicole's point, there are people who would love to live in Piedmont but can not. When we're talking about creating new housing, it's for people who don't live here yet, so we need to consider how to get *their* input.

Appendix E: Meeting Summaries

HOUSING ELEMENT UPDATE | 20

MIRO ROOM 2 VERBAL AND CHAT COMMENTS

1) What do you think are the most critical housing issues in Piedmont?

Verbal Comments | Questions

- RHNA number is aggressive, as the City's housing stock would increase 10 percent. Need to consider impacts to schools. I moved here for the quality of the schools. Also impacts to the aesthetics of the community and community feel. High rises don't make sense in most spots
- Districts are having trouble recruiting teachers
- We have a regional and statewide housing crisis. I would like to be a part of a community that responds to that crisis. Businesses go out of business because they can't keep staff because of cost of living issues. Homelessness, racial segregation are all issues that we should address, especially as one of the most affluent communities in the Bay Area
- Age in place considerations are important. Seniors may be interested in downsizing
- We have almost no affordable housing in Piedmont. I have two kids in school. I think that a more diverse community is beneficial for the educational experience
- I agree that we're very comfortable and have a moral duty to help with the crisis

Appendix E: Meeting Summaries

Chat Comments | Questions

agree strongly with Ellen Greenberg. I want to live in a community that is part of the housing solution.
I also feel that allowing more households to live here will help support the schools, not pose a detriment.

 I can't chat to our whole group, so I thought I would send my comments just to you.

- What about the illegal second units in town? Can we go through an amnesty program to legalize these?
- It feels like Piedmont is taking a technocratic approach when we are inundated in a massive inequality problem. We are the hoarders in a big picture sort of way. Oakland was redlined to help Piedmont develop. We need leadership to appeal to our better natures since in our system, only charity is allowed in the way of redistribution. Piedmont needs to step up and agree to start taking on our responsibility in this wealth and inequality problem. Housing is a sliver. Let's convert 100 SFRs into triplexes. It's tie to give back. I see BLM signs in the windows. Let's put our money where our mouth
- The concern about the tower in Seaview is legitimate but we can still have missing middle housing. Duplexes, fourplexes that could be sensitive to the community. It doesn't have to be towers or SFRs
- I moved here for the schools as well. School enrollment is declining. We have opened up our schools through inter-district transfers. We need economic and racial diversity.



2) What do you think are the housing types most needed in Piedmont?

Verbal Comments | Questions

- I think we need to pursue an all of the above approach. We need gentle density in our SFR zones. 2, 4, 6-unit buildings. We need to add more density along Grand Ave and look to our publicly owned sites to meet the needs of our lowest income band in the RHNA allocation. 587 units (the RHNA) is going to tough. I don't think we need any towers. We need 3, 4, 5 story buildings in certain locations. Let's enhance our community through diversity
- We need affordability by design (smaller/more dense units) and we need affordability restrictions in certain cases. Let's not be too picky on design because that will increase the price of the units.
 People have a sense of design.
 Some rules (ODS) are good, but let's not overregulate

Chat Comments | Questions

· Type Here

3) When assessing new housing development that might be built in Piedmont in the next 8 to 10 years, what should be the City's most important considerations?

Verbal Comments | Questions

- We're not just talking about new units through new construction, but we need to think about using the built space we have differently
- I think historically we had larger households in upper Piedmont.

 This was originally built for a larger population. Today we might have a single person or a couple living in 4k square foot home. We can convert that into denser housing. I'm not against new development but we are limited in terms of sites.
- I look at empty storefronts and see that retail space is not as lacking in our community as housing is. Let's look carefully at what kind of mixed use makes sense. We don't want a storefront that doesn't contribute much in lieu of homes
- Let's welcome new residents and voters. A lot of school funding is discretionary. Let's welcome folks that will value the schools and support the taxes that go into the schools. The mix of housing will influence the type of voters that live in our community
- We need to think out of the box.
 Conventional formulas are not working. All of these out of the box thinking is exactly what we need to make progress on this issue.

Chat Comments | Questions

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4) Is there anything else that you would like to share about why you are here this evening? Any questions, comments, or additional housing opportunities we should be aware of?

Verbal Comments | Questions

- I would echo what's been said on mixed-use. We have 3 or 4 banks that would be great for teachers and city workers that could make better use of that area. The priority should be on supporting the local population and not have people commute from Antioch or Tracy. If we can support those commuters here in the community that will strengthen everyone
- We do not need banks in our downtown

Chat Comments | Questions

Type Here

Appendix E: Meeting Summaries

City of Piedmont | E-39

MIRO ROOM 3 VERBAL AND CHAT COMMENTS

1) What do you think are the most critical housing issues in Piedmont?

Verbal Comments | Questions

- These are not mutually exclusive goals, these can be done through other measures as well.
- Housing production is an important component.
- Assumed an element that needs to be changed, but a critical element could also NOT want to be changed.
 - Change needed for the addition of 500+ units, looking how best the change gets implemented and occurs. Some City services could not change.
- · Responses positive or negative?

Chat Comments | Questions

 It would be nice to integrate low, moderate and upper income groups throughout the neighborhoods.



2) What do you think are the housing types most needed in Piedmont?

Verbal Comments | Questions

- With aging population, senior housing would be beneficial to explore as the population moves into those categories
 - Group homes (don't count as housing units) - looking at ways to accommodate seniors as they age.
- For sale units?- not much of a change (occupied by owners)
 - MF vs. Condos (owner occupied.
- To meet low income of RHNA focus on affordable multi-family housing throughout town - with support from City.
 - How can we add more housing in the current landscape? Ideas?
- Survey results put into context of zoning and distribution widely or concentrated near mass transit.
 Perspective needs to be raised and asked - some may want it spread widely and some would want it concentrated (depends on types of housing).
 - State wants to avoid concentrated affordable housing in zones, but more spread out throughout the community.
- ADUs and how do they fit in?
 - State will only accept a certain number of ADU's.
 Need to meet current supply (make up part of the 587 units). Same thing with Duplexes. Cant be the only

Chat Comments | Questions

- Co-housing?
- Allow large parcels to be subdivided.

- Seems in past RHNA production of ADU's made us successful (A ranking). Flexibility in interpretation on how we can include more ADU's with them as affordable housing units. The way of interpreting things, and how ADU's can be leveraged.
- Sites transit is a huge component and lends itself to a big opportunity - corridor like Grand walkability, housing that doesn't create a situation where using a car for every trip.
- Parcels availability has that work been completed? Soon we'll hopefully see some of the best parcels to develop on.
 - March/April time period next year.
- · ADU's that come online?
 - 30 or so in 2021 alone
- Other City's that have similar demographics/housing issues that have come up with creative solutions? Can we get an idea of how many parcels there are?
 - We are looking at other City's down in the LA region
 - For available parcels, we need to



3) When assessing new housing development that might be built in Piedmont in the next 8 to 10 years, what should be the City's most important considerations?

Verbal Comments | Questions

Type Here

Chat Comments | Questions

- I think energy efficiency is pretty well-handled by state requirements
- Landscape less urbanized surfaces. Scale is important, looking at ways to maximize trees and articulation of the facades.

5) Do you have any suggestions for how Piedmont might solicit additional feedback on the Housing Element Update and encourage participation?

Verbal Comments | Questions

- Charrettes would be great all day sessions where folks from the community come together to problem solve.
- Discussions at the High School make it part of the classroom discussion.
- Clubs at HS and Middle school, parent community, church (appealing to other communities)
- Find some ambassadors to get the word out, door knocking to neighbors.

Chat Comments | Questions

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HOUSING ELEMENT UPDATE | 29

IN-MEETING CHAT COMMENTS/QUESTIONS

- Can the public engagement include open-ended questions to capture input from people who do not have a position on housing issues?
- Can the City, LWC and Plan to Place share the link to the article on the Bay Area's scorecard for housing?
 - o **Response:** Chair Batra provided in chat: https://www-presstelegram-com/2021/11/28/report-card-shows-how-badly-california-is-failing-on-affordable-housing/amp/
- Can one of the team members explain how "income" is evaluated and whether it recognizes household assets (including real estate) and savings?
 - Response: The income data that is used in the housing element is sourced from the US Census, American Community Survey or ACS. These figures are derived from an annual survey and averaged over a five year period. The data reported comes from the 2019 ACS data release which is the most currently available data. Income in the ACS is defined as being made up of the following components:
 - 1. Wages salaries, bonuses, and tips from all sources
 - 2. Self-employment income form both farm and non-farm sources. This also includes income from partnerships
 - 3. Interest income, dividends, rents, and royalties
 - 4. Social Security or railroad pensions
 - 5. Supplemental security income (SSI)
 - 6. Cash public assistance
 - 7. Retirement income, pensions, or disability survivor income
 - 8. Unemployment, child support or VA payments
- How does affordability look when evaluating based on median income given likely extremes in income difference may make the average pretty meaningless?
- Given most people are older / retired and own home outright, how does the income / affordability picture look if exclude income from homeowners who own outright their residence?
 - o **Response:** Net assets are not used in calculation of area median income.

TRANSCTIPT OF ONLINE FEEDBACK FORM RESPONSES

The following is a transcript of the responses received when the online feedback form was made available on the 'Piedmont is Home' website. This feedback form was intended to take participants 7-10 minutes and provide the project team with insight into key housing issues in Piedmont. Followed by each question in parenthesis, is the number of responses received for each question. In addition, electronic correspondence received via the project email address was included.

What do you think are the most critical housing issues in Piedmont? (20)

Cost

Affordability. Lack of diversity.

There are many secondary units in Piedmont that are rented out but not recorded with the city and not counted in the low-income housing count. These units provide housing to low- income people, but also cause parking and



congestion issues. How about a moratorium on listing these with the city, like bringing back overdue books to the library without a fine. We all would benefit from the city taxes that are not being paid on these units.

Overcrowding, existing housing is sufficient

Housing for people who serve the community.

More housing of all types, easier ability to do infill housing through lot splits and duplexes

None

Affordable housing close to transit

How to provide more entry-level housing opportunities for the community

Integration of housing into a City " Master Plan" that includes parks, transportation, , "downtown, parking and traffic flow, especially the build-out of the new Pool Complex and completion of the new School Theater.

None it has always been an affluent area and unfortunately is just not affordable for a lot of people including a lot of our loved ones who have chosen to live outside of Piedmont

#1 - (mis)perception. The issues are global, national, state and county, but I would not say there is an "issue" in Piedmont except in perception

Don't believe they're critical

Affordability

Affordability and diversity

Building more affordable housing and making good use of underused spaces.

Equity! Our family has lived in Piedmont since the late 1960s. The population of Piedmont peaked in 2017 at 11,400 and is now down to 10,900. IN 1960 the population of Piedmont was 11,100. Our racial demographics when compared to other cities in Alameda county and the state of California is appalling because it is so high in white residents when compared to other races.. Why is our town so segregated? This needs to be addressed immediately.

Diversity of citizens and diversity of housing types.

What do you think are the housing types most needed in Piedmont? (20)

Apartments

Smaller homes for small families or seniors.

We need dense housing near transportation hubs, to discourage reliance on cars. Piedmont is not a transportation hub.

NONE

Single family homes

Multifamily housing, denser housing of any type

None.

Townhouses, condos, small multi-family buildings (8 units or less)

More apartment style housing located in areas that have a good public transit access, for example the center of town, Grand Avenue

Density in certain areas, including Blair Park.



None

Exactly what is already here. Piedmont does not 'need' high-rise or other high-density units that are better off in dense urban areas close to the job (please, this is covered in urban planning 101)

No low cost housing!! Piedmont is an old, fully developed community!!

Multi-units, townhomes, homed

Subsidized affordable multi-unit housing

Multi-family, middle income housing. Duplexes, triplexes, quads, etc.

Multi-family housing. Demographically, Piedmont needs more families. Our population pyramid shows that we have many adults over 65 in comparison to young people under 18. We need families because our schools need more students and when we don't have enough students, Piedmont loses funding. We are under enrolled and losing money. In addition, there is a missing middle in terms of population in Piedmont, there is hardly any residents who are in their 20s and 30s in comparison to other age groups. We need young families in Piedmont to create a healthy and diverse community in our city.

Smaller, less expensive options.

When assessing new housing development that might be built in Piedmont in the next 8 to 10 years, what should be the City's most important considerations? (20)

More housing

Look at Blair Park. If it is only the occasional dog walker who uses the "park", as access is poor, build housing. But improve access too, so the new residents can walk.

There seems to be very little focus on bigger picture of what a change in housing code in Piedmont would mean in terms of the traffic, parking, and demand for services, like schools. The surveys ask specifics about what new housing might look like, but do not ask us to think about how many extra cars there will be or young children needing schools.

NOT OVERCROWDING!

Impact on neighborhood - people who have to live near it.

Maximizing how much housing can be built

We shouldn't have any new housing at the expense of eliminating open park space.

Affordability, but we should not forget the aesthetic. I heard one person say that the housing should not be too "cute." I believe that is a condescending attitude. People of all incomes wants to leave in attractive, safe environments. We shouldn't warehouse people.

Make sure to build on piedmont high Loveland planning and design excellence

Use to integrate parks, Blair Park, density in certain areas, development of the Grand Avenue corridor.

Not losing the character of a small-town, great community

Land use - do not give up the few open spaces in Piedmont to accommodate a perceived need for affordable or high-density housing that actually does not existing Piedmont.

Not degrading the value of existing housing

Affordable. Middle class can't buy in Piedmont

The city should ONLY allow affordable housing to be built at this point because it's so built out.

Utilizing under-used properties such as Blair Park, the city center, the reservoir, etc.



We need young families who may not have the resources to buy a home in Piedmont. Our schools are good, but they are suffering because they need more students and a more racially and ethnically diverse student body. All Bay Area private schools work hard to build a diverse student body because they are selling a good education and that is one of the components.

Smaller, less expensive options...and the related urban design considerations.

Is there anything else that you would like to share about why you are here this evening? Any questions, comments, or additional housing opportunities we should be aware of? (17)

I would like more retail besides a bunch of banks

I support ADU's, but they should be small with height and dimension limits. They should not impact the homeowner, not the neighbors. Build close to the house not the back property line. Go below ground to keep height low on inclines. Make sure drainage issues are addressed during building and once built.

Better public transportation and bike accessibility should come before an increase in housing, not the other way around. Piedmont is still very car dependent. If there were a grocery store bigger and more general than Mulberry's in the center of town that would be a step to less reliance on cars. Bring back the Key line streetcars so we could take a trolley to Berkeley or Oakland. The added cars from a lot more housing would be detrimental to everyone living in Piedmont.

Leave existing open spaces alone.

I am very concerned that planners, architects and the like who stand to benefit from these changes are moving the conversation forward rather than non-planning/non-housing professionals that will have to live near any new development.

Please don't prioritize protection of rich people's views and 'architectural features', it's racist.

Please don't dump new housing in Blair Park (on Moraga). We need open space. Let's find other options for additional housing. The state requirements for Piedmont are absolutely ridiculous.

I am concerned about the possible development of housing in Blair Park or the reservoir location on Scenic Avenue. The additional traffic and parking issues seem insurmountable.

I care deeply for our community. I come from a diverse background and believe I have a good understanding of what people are looking for in affordable housing. I am realistic.

Use this to complete a meaningful City Master Plan. Use the Housing Demand to build a sense of place that enhances Piedmont.

There is no space unfortunately for low-income housing

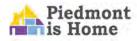
As much as I am a proponent of ADUs, I would strongly fight (NEPA and CEQA on my side) the real impact of increase density development on Piedmont.

There should be far more existing community input.

I think adding more affordable housing could be one way to increase diversity in Piedmont. I support changes to our zoning and building code that will bring more affordable housing to Piedmont, and urge that action be taken soon. I also urge that the city think creatively about how they foster affordable housing on their own publicly owned property.

I would like to see the City use the Housing Element as an opportunity to create opportunities for families of diverse backgrounds to live in our community. The high cost of housing and limited range of housing types is a major barrier to our city becoming more diverse and equitable. I support changes to our zoning and building code that will bring more affordable housing to Piedmont.

Housing is a social determinant of health. Resources need to be more equitably distributed from high resource areas to low resource areas.



I believe housing cannot be resolved independently of other planning issues: surrounding commercial, retail, & public uses. The (welcome & necessary) major housing changes require a model and vision for each neighborhood, and in fact the entire city.

Do you have any suggestions for how Piedmont might solicit additional feedback on the Housing Element Update and encourage participation? (7)

Make sure all citizens are informed what new "affordable

Go door-to-door, schedule meetings during times that work for the most impacted. Respect family time, meal times, and holidays when scheduling meetings.

Continue to do what you are doing and encourage neighbors to bring in other neighbors.

Create an open book, competition of ideas from planners, architects and private developers (under planning supervision, fast)

Mail letters to all of the homeowners of Piedmont

Piedmont has generally an older generational makeup. Don't put their property values at risk

More outdoor distanced events.

Dear Kevin,

I want to congratulate you and Pierce on Thursday's Virtual Workshop. It was well planned, well executed and very informative. I would congratulate Rani Batra as well but do not have her email. Of the public zoom meetings about housing that I have attended, this meeting was by far the best. You should also be commended by your public outreach prior to the meeting. I have been to most of the meetings including City Council sessions and see mostly the same people at each event. Thursday, I saw neighbors that I had not seen before. Along the same lines, Claire Parisa's suggestion of holding a charrette planning meeting is an interesting one, particularly if it would attract a larger, more diverse audience. As Rani Batra, said at the beginning of the meeting, these are not going to be easy discussions. We should expect differences of opinion. Since the decisions made in the next year or so will effect Piedmonter's for decades, they should not be taken lightly and not without the widest range of community participation.

With respect to the use of ADUs, I think they can play an important part of Piedmont's housing strategy. The City has done a good job in encouraging both rent restricted and non rent restricted units. Unfortunately, the State removed one of the most powerful incentives for rent restricted units by eliminating the need for parking. Without the City's use of this incentive, I feel it will be much harder to convince homeowners to build low income units with a ten year deed restriction. I agree with PREC's Andy Madeira's opinion that it is more efficient to build a low income apartment probably on rezoned City land. At the end of the day, I suspect that the site will be Blair Park. There are access issues. As I recall, neighbors also filed a law suit about it's use several years ago.

The State is forcing Piedmont to plan for 587 units in a city that is virtually build out with the exception of parks and City buildings. Presuming that a low income apartment will be built somewhere, either Blair Park or other City land, there are still a lot of units to plan for including 92 moderate and 238 above moderate. It is with these units that I feel ADUs can play a large part. The City already has what I consider very attractive ADU sample design plans. In looking at my meeting notes, I wrote that the City has 30 ADU applications which would total 300 over the ten year projection. If this is the case (my notes may be wrong), it is a strong indication that they will be built and should be used to meet part of the above moderate component. The Piedmont community seems to be accepting ADUs as part of the housing mix, probably more than a new proliferation of fourplexes and duplexes throughout the City. Historically, Piedmont has always had ADUs, they just haven't used that term. As one drives through the City there are a number of units built above garages or attached to the main house as part of the original construction. Actually, some of these units could be included in the plan if they were identified and owners contacted to rent them. We need to think outside the box in order to meet the State mandates.



City of Piedmont

Housing Element Update

My opinion is that Piedmont should fulfill the RENA requirement with the least disruption to the City's existing housing stock while building community support. Using an accepted housing type that has been part of the City for one hundred years is one way of approaching this goal. Again, thank you for presenting such a well run and informative workshop. Sorry I didn't win the raffle.

Best,

Here are a couple of concerns I would like to see considered:

- 1) Will ADUs and JADUs add affordable housing to the city? How will this be ensured, to avoid them becoming simply Airbnb's or granny flats? How will building requirements take this into account (eg. high cost of new building vs manufactured units)?
- 2) What about parking? There are already neighborhoods grappling with parking congestion and overflows from nearby districts. Is the plan considering the parking needs generated by a) ADUs, b) changing a SF lot into a 2 plex or 4 plex, or c) building larger apartment buildings in our more commercial areas. It would be nice for the neighborhoods to know these things are being taken into consideration. That doesn't mean every ADU needs a garage, but what about ensuring the lot has enough parking area in a driveway before allowing still more driving adults to be added? Will approaches to parking requirements depend on proximity to transit, so we don't assume just because Piedmont is seen as a transit accessible high opportunity area that transit is a realistic option in all parts of the city.
- 3) I would like to see as much new housing as possible added to the Grand Ave area and the Highland commercial area, so that we are not accommodating all of our RHNA through ADUs and JADUs.

Thanks,

Can this affordable housing be restricted to Piedmont teachers and Piedmont City employees? A 2-bedroom apartment cannot accommodate a family. Currently, Piedmonters pay high taxes to support our own Police, Fire, other city services, etc. and, particularly, our excellent schools. How will these renters pay their fair share for these services?

I live on Moraga Ave. It already has buildings two deep.

Why not build in the land near the corporation yard, where the goats cleared the grass?

I just lost two oak trees- one 150 years old because of building over roots. Once you start housing in the old trees you are setting up either direct or indirect deforestation.

Street parking is impossible on Moraga and there really is no good public transit for Piedmont, especially for the elderly.

At this time in my life, I vote for the trees and high rises in the center of Piedmont so all Piedmont shares the consequences.

Mary Louise Morrison

PREC responded via the project email address and the full PREC document is included below:





Policy Recommendations for Furthering Fair Housing in Piedmont

I. <u>Executive Summary</u>

The City of Piedmont should take bold, creative action to enable a diverse population to call the city home. In order to affirmatively further fair housing and remedy our past and present exclusionary policies, the City's housing and zoning policies should be changed to further racial and socio-economic diversity. The City should encourage the construction of a variety of housing types, accessible to families of varying socioeconomic backgrounds and individuals at different stages of their lives.

Our zoning proposals can be summed up in three main concepts: *more density, more affordability,* and *everywhere*. In other words, Piedmont needs to change its zoning laws to make room for more housing, and to make affordable housing viable in all the different zones.

- Regarding *density* changes: the City should change its zoning regulations to create
 incentives and enable more housing, at a higher density encouraging "missing
 middle" or "gentle density" in the residential zones (A and E) and higher densities in
 the multifamily, commercial/mixed-use, and public zones (C, D and B, respectively).
- Regarding affordability, the City should promote housing affordability and diversity
 by allowing multifamily affordable housing throughout the different zones, and in
 private and publicly-owned land. This goal can be accomplished by tailoring the
 policy to the different zones.
- In the residential zones (A and E), the City can create incentives such as granting small-scale density bonuses or relaxing parking requirements to achieve units that are smaller, simpler (therefore "affordable by design"), or restricted to moderate income families.
- In the multifamily, commercial/mixed-use and public zones (C, D, and B, respectively), a similar goal could be accomplished by creating inclusionary housing requirements, or facilitating the construction of affordable housing developments, particularly in Zone B.

II. Introduction

The PREC Housing Committee is a group of Piedmonters working with the wider community to embrace more inclusive housing in Piedmont. We believe that more housing can bring positive change to our city while contributing to alleviating the Bay Area's housing shortage.

We believe the City needs to reform its zoning regulations to create more housing opportunities, in general, and more affordable housing opportunities, in particular, throughout the City. This urgency stems from the need to meet our obligations under state law to

affirmatively further fair housing (AFFH) and adopt a Housing Element that the California Department of Housing and Community Development (HCD) certifies as compliant with state law. AFFH is a duty that:

"must be taken with the utmost diligence and cannot be ignored by any of us if it is to be successful. Together, we must ameliorate past actions that led to inequity. As decision-makers we must create land-use and funding policies to increase affordable housing in high-resource neighborhoods that have often been exclusionary and bring additional resources to traditionally under-resourced neighborhoods."

In order to have a Housing Element that complies with state law and meets our Regional Housing Needs Allocation (RHNA), the City needs to create the conditions to produce substantially higher amounts of housing than in past cycles. Specifically, under its new RHNA, the City needs to identify sites where a total of 587 new housing units can be built - of which 163 need to be targeted to very low income households, 94 to low income households, 92 to moderate income households, and 238 to above moderate income households.² Failure to do so could subject the City to significant penalties and liability.

Beyond our obligations as a City under state law, zoning reform is also a moral obligation that stems directly from the city's past actions that enshrined and perpetuated racial segregation:

"Housing policy, program guidelines, and regulations were essential in creating current inequities, and they are equally important in both preventing further segregation and concentration of poverty, as well as increasing access to opportunity.³ In order to ameliorate past actions that led to inequity, decision-makers must create land-use and funding policies to increase affordable housing in high resource neighborhoods that have often been exclusionary (explicitly or in effect of costs and zoning policies)...."⁴

Piedmont has acknowledged this obligation, in Resolution No. 60-2020, approved on August 3, 2020, in which it pledged to address "historical racism in Piedmont and to examine existing systems through an anti-racist lens," including a commitment to "review and revise its

https://belonging.berkeley.edu/single-family-zoning-san-francisco-bay-area and Racial Segregation in the San Francisco Bay Area (2020) at

https://belonging.berkeley.edu/racial-segregation-san-francisco-bay-area-part-5; Nick Levinson and Marta Symkowick, *After Dearing: Residential Segregation and the Ongoing Effects on Piedmont*, at https://piedmontexedra.com/2020/10/after-dearing-residential-segregation-and-the-ongoing-effects-on-piedmont

¹ California Department of Housing and Community Development, <u>Affirmatively Furthering Fair Housing</u> <u>Guidance</u>, p. 2.

² See https://www.piedmontishome.org

³ Numerous studies have shown how restrictive and exclusionary housing policies have led to residential segregation and increased inequality, at the national, regional, and local levels. For example, see Richard Rothstein, *The Color of Law: A Forgotten History of How Our Government Segregated America* (2017); University of California Othering and Belonging Institute, *Single-Family Zoning in the San Francisco Bay Area: Characteristics of Exclusionary Communities* (2020)

⁴ California HCD, <u>Affirmatively Furthering Fair Housing Guidance</u>, p. 6.

policies, procedures, ordinances, values, goals, and missions through an anti-racism lens to foster an unbiased and inclusive environment."

We offer these policy recommendations to help the City meet our RHNA, to advance fair housing, and, in the spirit of Resolution No. 60-2020, to make Piedmont's policies and regulations more inclusive.

In a nutshell, we believe the City needs to embrace more housing, and make affordable housing viable, everywhere. We need bold and creative action and a multi-pronged approach to housing in Piedmont, to allow a diverse population to call Piedmont home. Specifically, to affirmatively further fair housing, remedy our past and present exclusionary policies, and meet the spirit of Resolution No. 60-2020, City policies should, first and foremost, further racial and socio-economic diversity. In addition, the City should encourage the construction of a variety of housing types, accessible to families and individuals at different stages of their lives – such as youth, single adults, young couples, families, the elderly, the disabled, etc.

At the same time, we believe that this is possible while *preserving the character of our community, its amenities and quality of life*. We can do this through thoughtful, context-appropriate and nuanced zoning reform, and the use of objective standards and regulations to foster housing development that, while denser, is still compatible with the surrounding area, and maintains design quality.

III. Proposed Zoning Changes

A. General goals: Enact changes to the Planning Code to enable the construction of more housing, and specifically, more diverse and affordable housing, throughout the City. The City should promote housing affordability by allowing multifamily affordable housing developments **both on privately owned and city land**, by encouraging "missing middle" or "gentle density" housing types on residentially zoned lots and housing that is affordable by design. In addition, the City should use policy tools to promote diversity and affordability, including exploring the creation of an inclusionary housing requirement for larger multifamily projects.

From HCD's <u>AFFH Guidance</u>, "<u>Examples of AFFH Actions</u>": "New Housing Choices and Affordability in Areas of Opportunity means promoting housing supply, choices and affordability in areas of high opportunity and outside of areas of concentrated poverty. Examples include: Zoning, permit streamlining, fees, incentives and other approaches to increase housing choices and affordability (e.g., duplex, triplex, multifamily, accessory dwelling units, transitional and supportive housing, group homes) in high opportunity areas....[and] Inclusionary requirements." (p. 72).

B. General vision / strategy: Assuming the City chooses to keep its current zones, we think it should *consider changes to permitted and conditional uses within* all of the existing zones, amend the zoning controls throughout the City to permit *higher density*, and craft

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⁵ https://www.ci.piedmont.ca.us/common/pages/DisplayFile.aspx?itemId=16929873

nuanced zoning controls, to incentivize more housing to be developed, and **especially more affordable housing**.⁶ Specifically:

- 1. Allow for "gentle density" in Zones A and E, by changing the minimum lot sizes in these zones to ~4,000 sf and ~10,000 sf, respectively, and by allowing ~2–6 and ~4–8 dwelling units per lot⁷;
- 2. Permit *affordable* multifamily residential uses in Zone B;
- 3. Increase the allowed density of multifamily residential uses in Zones C and D to make building multifamily housing financially feasible, and remove the conditional use requirement for multifamily housing in Zone D;
- 4. Explore adopting inclusionary requirements for multifamily housing developments in Zones C and D;
- 5. Explore incentives to create housing that is "affordable by design" or restricted to very low, low and moderate income households in Zones A and E.

C. Proposed Zoning Amendments, by Zone:

- 1. Zone A Single Family Residential (Division 17.20).
 - Change the name from "Single Family Residential" to "Residential";
 - Reduce minimum lot sizes from 8,000 to ~4,000 sf, or less⁸;
 - Allow ~2–6 units as principally permitted uses, depending on:
 - o Lot size and characteristics (for example, corner lots or "through" lots have more street frontage and access, and therefore may be more suitable for more units), and depending on incentives to achieve desired results, such as:
 - The creation of smaller, "affordable by design" units: implement a sliding scale floor area ratio (FAR), or allow

⁶ This proposal focuses on amending the zoning controls in all the different zones, to achieve these goals. An alternative approach would be to create an Affordable Housing Overlay, to create incentives for affordable housing throughout the City, and pair it with other amendments to increase density. For an example of a recent affordable housing overlay, see Harvard University, Joint Center for Housing Studies, What Can We Expect From Cambridge's New Affordable Housing Overlay?, https://www.ichs.harvard.edu/blog/what-can-we-expect-cambridges-new-affordable-housing-overlay

⁷ Please note that all numeric standards proposed in this document are necessarily approximations, since we have not had the time or resources to do exhaustive research on this. However, they are informed suggestions, based on comparable uses in neighboring jurisdictions.

⁸ Given that 78% of lots in Zone A already are less than the minimum lot size, a change to this requirement would in practice serve to "clean up" the Code to better reflect current conditions, and effectuate a moderate change on physical development on the ground.

- increased heights, to achieve creation of smaller units (as in Portland and Cambridge)⁹;
- Make sure that objective design standards do not impose excessive costs on homeowners, and instead facilitate housing production and affordability;
- The creation of permanently-restricted affordable units: include incentives for affordable housing such as increased height allowances and density bonuses. For example, allow up to 6 units if a certain percentage of the units are affordable (as in Portland and Cambridge).
- Allow subdivisions of current single family homes to multi-unit buildings consistent with the number of units permitted by the zoning (~2–6, per the bullet point above);
- Consider enabling lot mergers to allow small multifamily developments (~12 units) in some sites. Consider conditioning the mergers on the incorporation of affordability parameters in the development – either "affordable by design" units or inclusionary housing; see below.
- Increase maximum allowable height from 35 to ~40-45 feet, to provide flexibility to build new multi-unit buildings.

2. Zone B - Public Facilities (Division 17.22).

- Change name from "Public Facilities" to "Civic Facilities" 10;
- Allow affordable multi-family residential uses. Note that single-family residential uses are already allowed (see section 17.22.020.A) and that emergency shelters, supportive housing or transitional housing are already allowed (see section 17.22.020.F), so this is just an intensification of currently permitted uses;
- Adopt density and building limits sufficient to facilitate the development of affordable multifamily housing projects.

⁹ See The Terner Center, *Past Webinar, The -Plex Paradox: Writing the Code to Undo Single-Family Zoning*, at

https://ternercenter.berkeley.edu/blog/upcoming-webinar-the-plex-paradox-writing-the-code-to-undo-single-family-zoning/; see

https://www.jchs.harvard.edu/blog/what-can-we-expect-cambridges-new-affordable-housing-overlay

10 The State has enacted a series of laws to encourage local jurisdictions to consider affordable housing uses in public sites. See, for example, California Department of Housing and Community Development, Public Lands for Affordable Housing Development, at

https://www.hcd.ca.gov/community-development/public-lands-for-affordable-housing-development.shtml; Metropolitan Transportation Commission, *Affordable Housing Opportunities on Public Lands*, https://mtc.ca.gov/planning/housing/affordable-housing-opportunities-public-lands

3. Zone C - Multi-Family Residential (Division 17.24).

- Reduce the minimum lot size to ~5,000 sf.¹¹
- Increase the height to ~65 ft.
- Permit lot mergers to enable bigger developments, considering:
 - Whether the project includes a diversity of units and units that are "affordable by design" and
 - **o** Whether the project includes affordable units.
- Increase density from 12–21 units / acre to ~54–72 units / acre, at a minimum.¹²
- Explore including a requirement that developments over a certain size include a certain percentage of permanently restricted affordable units. (See below, Inclusionary Requirements).

4. Zone D – Commercial and Mixed Use (Division 17.26).

- Currently the controls for Zone D that are applicable to residential uses are more restrictive than Zone C. Only single-family residences are principally permitted, and all other residential uses are subject to a conditional use (CU) requirement, and at a very low density.
- These controls should be substantially amended to reflect current best practices in mixed use, infill development.
- At a minimum, we should remove the CU for multifamily housing in these districts, and change the density controls to permit as much density as in Zone C, with a proposed height of 65 feet and a proposed density of ~52–74 units / acre, at a minimum, as described above.
 - o Permit lot mergers to enable bigger developments, considering:

¹¹ For comparison, consider that in San Francisco lot mergers resulting in lots greater than 5,000 sf require a CU.

¹²⁻²¹ units / acre is the density currently permitted in Zone C. It is the equivalent to minimum density of "1 unit per each 3,600 sf of lot area and not to exceed one unit per 2,000 sf of floor area." (See Section 17.24.020.B). The proposed density of 54-72 units / acre is the equivalent of a density of 1 unit for every 800 sf of lot area to 1 unit for every 600 sf of lot area. This recommendation was derived from low and moderate density multifamily residential units in San Francisco. (See San Francisco Planning Code, Section 209.2, especially RM1 (Residential, Mixed Districts, Low Density) and RM1 (Residential, Mixed Districts, Moderate Density)). It is also similar to well-accepted density estimates used by regional agencies when they research housing reform, for example MTC, in *Affordable Housing Opportunities* at p. 2. However, we note that *Piedmont's Draft Multifamily Standards and ADU Incentives* has tested a density of 80 du/acre, which is slightly higher. PREC supports a higher number, and believes the City should embrace a figure that makes projects financially feasible, including evaluating the feasibility of adding an inclusionary fee to multi-family housing in zones C and D.

- o Whether the project includes a diversity of units and units that are "affordable by design" and
- o Whether the project includes affordable units.
- Explore adding a requirement that developments over a certain size include a certain percentage of permanently restricted affordable units. (See below, Inclusionary Requirements).

5. Zone E – Estate Residential (Division 17.28)

- Consider changing the name and intent.
- Change the minimum lot size from 20,000 to ~10,000 sf.
- Allow ~4–8 units as principally permitted uses, depending on:
 - o Lot size and characteristics (for example, corner lots or "through" lots have more street frontage and access, and therefore may be more suitable for more units), and depending on incentives to achieve desired results, such as:
 - The creation of smaller, "affordable by design" units: implement a sliding scale floor area ratio (FAR), or allow increased heights, to achieve creation of smaller units (as in Portland);
 - Make sure that objective design standards do not impose excessive costs on homeowners, and instead facilitate housing production and affordability;
 - The creation of permanently-restricted affordable units: include incentives for affordable housing such as increased height allowances and density bonuses. For example, allow up to 6 units if X% of the units are affordable (as in Portland).
- Consider enabling lot mergers to allow small multifamily developments (~16 units) in some sites. Consider conditioning the mergers on the incorporation of affordability parameters in the development – either "affordable by design" units or inclusionary housing; see below.
- Increase height from 35 to ~40–45 feet, to provide flexibility to build new units.

IV. Other Legislative and Policy Changes

A. Identify, make available, and entitle a municipally-owned site for the development of a multifamily 100% affordable housing development using Measure A1 funds. See

our article, <u>"Piedmont Should Tap Its \$2.2 Million Allocation of County Bonds for Multifamily Affordable Housing"</u> in the *Piedmont Exedra*. ¹³

From HCD's <u>AFFH Guidance</u>, "Examples of AFFH Actions": "Developing multifamily housing opportunities." (p. 72)

B. Consider adoption of an Inclusionary Housing Ordinance.

- The ordinance would apply to multifamily housing developments over a certain size threshold (~15 units?) and would require that a certain percentage of the units be affordable. Ordinances of this kind are used throughout California and there are many models to draw from, and many years of experience to learn from.
- These units would be restricted under a long-termNotice of Special Restrictions recorded against title.
- The City would have to create mechanisms to administer the units created by this ordinance establish affordability thresholds, application processes, etc.
- Owners would have the ability to pay a fee instead of building the units on site –
 this "affordable housing fee" would be paid to the City and maintained by the City
 in a separate account, for the purposes of creating more affordable housing units
 in the City.

C. Form a Piedmont Community Land Trust or partner with an existing local land trust.

 Using funds from the inclusionary housing program, work with a community land trust to acquire and redevelop ~10 homes into -plexes or homes + ADUs to create permanently (deed-restricted) affordable rental and homeownership opportunities, with the goal of converting a certain percentage of Piedmont's 3900 units to 2-4 affordable units.

From HCD's <u>AFFH Guidance</u>, "<u>Examples of AFFH Actions</u>": "Encouraging collaboration between local governments and community land trusts as a mechanism to develop affordable housing in higher-opportunity areas" (p. 72-73).

D. **Create a Piedmont Housing Trust Fund** that is funded through the affordable housing fees and private and public contributions to support the development and operation of affordable housing.

From HCD's <u>AFFH Guidance</u>. "Examples of AFFH Actions" in High-Opportunity Areas: "Target housing creation or mixed income strategies (e.g., funding, incentives, policies and programs, density bonuses, land banks, housing trust funds)." (p. 72)

¹³https://piedmontexedra.com/2021/08/commentary-piedmont-should-tap-its-2-2-million-allocation-of-county-bonds-for-multifamily-affordable-housing

From <u>California HCD</u>: "A Local or Regional Housing Trust Fund is required to be a public, joint public and private, or charitable nonprofit organization organized under Section 501(c)(3) of the Internal Revenue Code, which was established by legislation, ordinance, resolution (including nonprofit articles of incorporation), or a public-private partnership organized to receive specific public, or public and private, revenue to address local housing needs. The key characteristic of a Local Housing Trust Fund is that it receives Ongoing Revenues from Dedicated Sources of funding sufficient to permit the Local Housing Trust Fund to comply with the requirements of the Program. Local and Regional Housing Trust Funds must comply with requirements set forth in the regulations and guidelines in order to be eligible to submit an application."

See also: https://housingtrustfundproject.org/

- E. **Enact housing preservation measures** to deter the conversion of multi-family housing to single-family housing. For example, this could entail requiring a conditional use permit to merge units or requiring a significant fee to merge units.
- F. Change Parking Requirements in all the zones, from requiring a minimum amount of parking per development, to requiring maximum parking ratios. This would lower the costs to develop housing, and help create units that are more affordable, or "affordable by design." Many jurisdictions have transitioned to parking maximum requirements, thus gradually shifting towards less parking, and a more efficient use of the public right of way. Furthermore, this aligns with the state's and the City's climate goals, as expressed in the Climate Action Plan, and helps promote safe use of the city's streets for all modes of transportation.

V. References

California Department of Housing and Community Development, <u>Affirmatively Furthering Fair Housing: Guidance for All Public Entities and for Housing Elements</u> (published April 2021)

California Department of Housing and Community Development, *Public Lands for Affordable Housing Development*, at

https://www.hcd.ca.gov/community-development/public-lands-for-affordable-housing-development.shtml

City of Piedmont, *Piedmont is Home*, https://www.piedmontishome.org

Harvard University, Joint Center for Housing Studies, *What Can We Expect From Cambridge's New Affordable Housing Overlay?*,

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University of California, Othering and Belonging Institute, Single-Family Zoning in the San Francisco Bay Area: Characteristics of Exclusionary Communities (2020)

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The Terner Center, Past Webinar, The -Plex Paradox: Writing the Code to Undo Single-Family Zoning, at

https://ternercenter.berkeley.edu/blog/upcoming-webinar-the-plex-paradox-writing-the-code-to-undo-single-family-zoning/

COMMUNITY WORKSHOP #2 SUMMARY

Format: Zoom Virtual Meeting | March 24, 5:30-7:00pm

The purpose of the Housing Element Update Community Workshop #2 was to provide an update on the Housing Element process and next steps, introduce the Balancing Act tool, and provide a forum for community participants to ask questions and give feedback on user experience and functionality of Balancing Act. The main meeting focus was a hands-on interactive experience for the public and an overview of the general considerations and trade-offs associated with creating a balanced housing plan. Feedback received will inform the further development of the tool and help guide the preparation of the Housing Element Update.

The community workshop was held virtually via Zoom on Thursday, March 24, 2022, from 5:30-7:00 p.m. and was facilitated by City staff and the consultant team (Lisa Wise Consulting, Inc. and Plan to Place). The meeting agenda and presentation were posted prior to the meeting. Approximately 75 members of the public attended. The meeting agenda is outlined below:

- 1. Welcome & Introductions
- 2. Recap of Community Workshop #1
- 3. Housing Element Progress Updates
- 4. Balancing Act Overview and Activity
- 5. Conclusion and Next Steps

The slides from the March 24th workshop presentation are posted to the project website: <u>piedmontishome.org</u>.

ATTENDANCE

Meeting participants: approximately 75 attendees

City Staff

- Kevin Jackson Planning and Building Director
- Pierce Macdonald– Senior Planner

City Officials

- Teddy Gray King Mayor
- Rani Batra Chair of Planning Commission, and Chair of Housing Advisory Committee

1

Consultant Team

- Lisa Wise Consulting, Inc. David Bergman, Kathryn Slama, Stefano Richichi
- Plan to Place Dave Javid, Paul Kronser, Rachael Sharkland

Balancing Act

Chris Adams



HOUSING ELEMENT UPDATE

WORKSHOP SUMMARY

Dave Javid from Plan to Place, Planning Director Kevin Jackson, and Mayor Teddy Gray King opened the meeting by welcoming attendees, introducing the City and Consultant Team, giving an overview of the agenda, and opening the demographic live poll (results provided below). The following is a summary of the live demographic poll that was administered at the beginning of the meeting.

Demographic Poll (Results based on participants at the meeting. Full results can be found in Appendix 1)

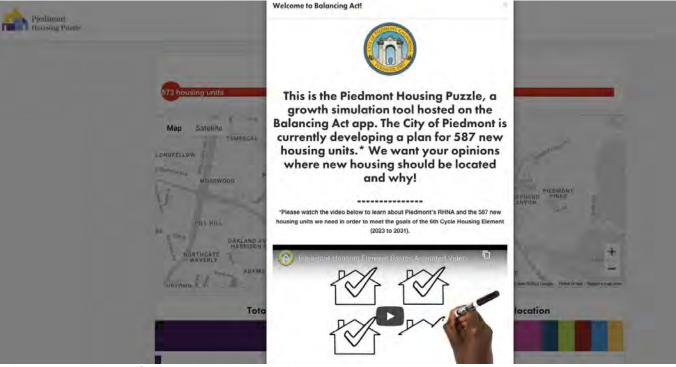
- 1. Where do you live?
 - 87% live in Piedmont
 - 11% live in Alameda County but not Piedmont
 - 3% live outside of Alameda County
- 2. Where do you work?
 - 44% work In Piedmont (including remote work)
 - 13% do not work Piedmont, but in Alameda County
 - 16% work outside Alameda County
 - 27% are retired
- 3. Which of the following describes why you decided to attend tonight's workshop?
 - 40% want to know more about the Housing Element update process
 - 2% want to know more about obtaining housing in Piedmont
 - 37% want to support more housing development in Piedmont
 - 22% are concerned about more housing development in Piedmont
- 4. Have you participated in other Housing Element events?
 - 85% yes
 - 15% no
- 5. What is your current housing situation?
 - 91% own a home
 - 7% rent a home
 - 2% live with family/friends
- 6. What type of housing do you live in?
 - 96% live in a house
 - 4% live in an apartment
- 7. Please indicate which of the following do you identify with (select all that apply).
 - 6% Hispanic or LatinX
 - 12% Black, Indigenous, or Person of Color
 - 6% Household with 5+ persons
 - 44% Person of age 62 or older
 - 2% Veteran
 - 28% Don't identify with any of these categories
 - 2% Prefer not to answer
- 8. Which bracket best describes your household income?
 - 2% Less than \$41,000



HOUSING ELEMENT UPDATE

- 7% \$68,501 to \$109,600
- 11% \$109,601 to \$150,700
- 80% \$150,701 or more

After the poll closed, Dave Javid gave a recap of the December 2, 2021 workshop, including a summary of the December demographic polling results. Kathryn Slama from Lisa Wise Consulting, Inc. (LWC) gave a brief presentation on Housing Element updates including a review of Housing Element components, schedule, and next steps. After the presentation, Kevin Jackson reiterated the intention of the workshop to explore community preferences and the functionality of the Balancing Act tool, and introduced Balancing Act Founder and President, Chris Adams. Chris gave a brief presentation on the background and purpose of the Balancing Act tool and then guided workshop participants through an interactive demonstration. The chat feature was open for the duration of the meeting. During the Balancing Act overview and activity, verbal and chat questions/ comments were encouraged. Notetakers from the project team recorded the verbal questions, comments and answers from the project team when provided.



Balancing Act Landing Page for the Piedmont Housing Puzzle

City of Piedmont **Housing Element Update**

PUBLIC COMMENT AND QUESTION SUMMARY

This summary below paraphrases chat comments and questions into major themes. City and consultant team responses provided during the meeting are in *italics*. A full transcript of the chat comments is included in Appendix 2.

CHAT COMMENTS & QUESTIONS

Balancing Act Functionality

- Does the tool differentiate between affordable and market-rate sites?
- How do you submit a plan?
 - In order to submit, a user must reach 587 housing units. You can share and save your work and come back to it.

Meeting format and feedback

- Desire for greater community engagement and participation.
- Desire for two-way communication between City staff and community.
- Will there be a later meeting at which results will be shared and discussed?
 - Yes, the results will be shared at the Planning Commission meeting in May.

Strategy and approach to site selection

- How is this not redlining?
- What is the unit size that was used in the unit/acre density examples?
- The residents of Piedmont with resources are pushing housing development into less resourced areas.
- How can a parking lot for a church and school be an eligible site?
 - The Housing Element would establish policies that, for example, would enable Zion Church or other religious institution to design a housing development that meets their needs.

VERBAL COMMENTS & QUESTIONS

Balancing Act Tool Functionality

- This is an extensive exercise, are we just learning about the tool at tonight's meeting?
 - Yes, you are just learning about the tool. The plan can be saved and completed after tonight's meeting.
- Is there a place to add comments in the tool?
 - Yes, and just a reminder this is not the only way to submit comments; the primary way is to leave comments on the draft Housing Element, once the draft is released in early April.
- How realistic are the unit numbers that the tool is assuming sites can accommodate?
 - O If they are already built with a use that is a constraint, so in this exercise the City is looking at what could be accomplished with increased density. But the City recognizes that with this tool there is excess capacity, and you can add more units than what is needed for the Housing Element. The exercise is more about providing the user with an understanding of the challenges, trade-offs, and constraints.
- Can the Draft Housing Element be incorporated into this tool so we can have a realistic starting point?



O In terms of the tool's functionality, the City will determine if that's possible. The draft Housing Element Site Inventory incorporates considerations that aren't linked to the Balancing Act tool (such as income classification). Balancing act is intended to be a generalized simulation of the possible array of sites that have been considered. The City did not use Balancing Act to create the site inventory. The draft Housing Element will be ready for public review and comment in April

Rezoning

- Why aren't we considering rezoning?
 - The City Charter requires a ballot measure and vote to change zoning boundaries, although Balancing Act simulates unit counts that would require changes to development standards.
- Why aren't we considering more density in single-family (A&E) zones?
 - Rezoning means reclassification, which requires voter approval in Piedmont. It is possible to keep the boundaries the same, but increase density for residential areas, if consistent with the General Plan. Additionally, state law allows for the production of housing units on single-family properties without any rezoning. The sites shown in the Balancing Act tool were crowd-sourced and then "reality-checked" to reflect plausible alternatives.
- Is the City considering increasing allowable densities beyond SB 9?
 - In terms of increased density, the City is considering a variety of tactics. The City is rethinking how to accommodate the units and requirements in terms of what is realistic for specific sites.

Site Selection

- How can a parking lot associated with a school be used for housing?
 - The constraints of reusing a school parking lot would need to be considered and addressed with programs before a site was included in the sites inventory in the Draft Housing Element. City will be discussing the sites, and community identified constraints, more directly during the site inventory review, which is part of the housing element update (coming out in early April).
- Why isn't EBMUD being considered?
 - O The City has been in conversation with the utility, and EBMUD will not make their sites available for reuse as housing during the 6^{th} Cycle.
- Is it realistic to develop the proposed sites?
 - HCD feasibility determination isn't straightforward, and relies on regional trends in redevelopment into residential uses. HCD is not requiring a proforma to determine financial feasibility of redevelopment for site eligibility.

RHNA

- Does putting RHNA units in highly impacted areas comply with AFFH, especially regarding high opportunity sites?
 - The Draft Housing Element will include a section describing how the plan meets the City's obligation to affirmatively further fair housing (AFFH). Note that all of Piedmont is considered a High Opportunity area, and any housing in Piedmont would be placing households in areas of high opportunity.



City of Piedmont **Housing Element Update**

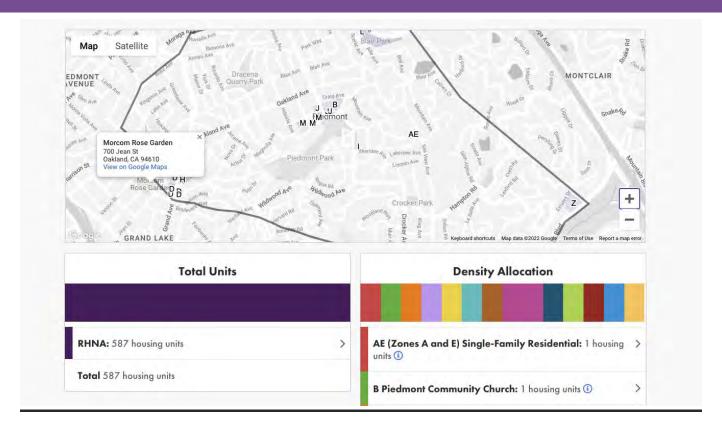
Housing Element Process and Implications

- What are the tax ramifications of this process?
 - O The City is not required to build housing, it is the City's obligation to put policies in place that facilitate the development of housing through the Housing Element. In general, the housing element anticipates that the private sector will provide the housing indicated in the plan. What is the fiscal impact on the General fund accounts? This will be part of future analysis. Keep in mind that whether it is a deficit or surplus depends on what type of units are produced. The break-even point in a typical California city is estimated to be \$450k per unit, but Piedmont is a high service city so the cost is likely more than that.
- When will we get a chance to talk about tangible results and outcomes of the Housing Element and if we'll be able to come together as a community?
 - O The City has designed the next three months to be an iterative process; the draft Housing Element is coming out in April to keep things moving and so we can assess how realistic development is, considering all of the constraints. The April draft is preliminary, and it will be up for public review. Feedback from this Balancing Act tool will be analyzed concurrently with comments on the Housing Element Draft. We encourage comments on the draft itself, and there are 3 upcoming community events. Make your voice heard at Housing Advisory Committee, Planning Commission, and City Council meetings. All comments will be collected and considered in the City's revisions, which will then sent to the HCD for review.

Planning & Building Director Kevin Jackson and Kathryn Slama of LWC noted next steps and upcoming meetings including release of the draft Housing Element in April, the Housing Advisory Committee meeting on April 19, the Planning Commission meeting on May 12, and a City Council meeting in June 2022. All information received through Balancing Act will be compiled and provided in the Planning Commission staff report for the meeting scheduled for May 12, 2022.

Chair Batra gave closing remarks, noting that Housing Element discussions can seem abstract and technical, but interactive tools like Balancing Act can help community members break down complex issues. She noted, "...these visual and interactive tools are helping us understand what growth might look like in reality. I think the draft Housing Element update will bring this further into focus. We can all look forward to seeing the public review draft of the Housing Element and then being able to engage together on it at three different public forums." Chair Batra closed the meeting by thanking participants and urging them to help spread the word, stating, "It is going to take all of us to make room for more housing in Piedmont."

City of Piedmont **Housing Element Update**

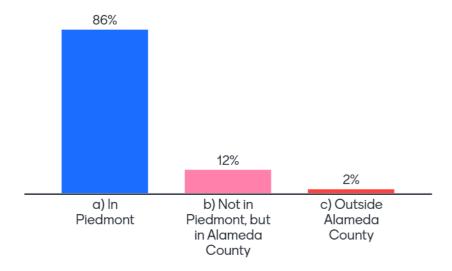


Piedmont Housing Puzzle Interactive Interface

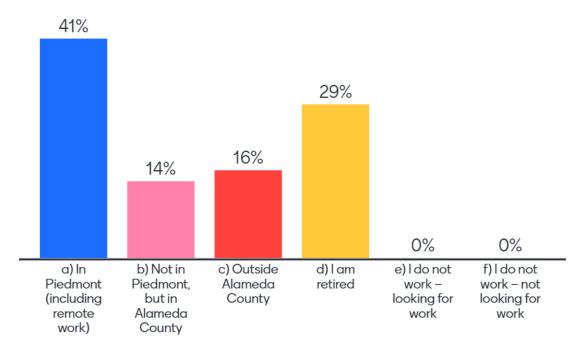
Appendix 1

DEMOGRAPHIC LIVE POLL RESULTS

1. Where do you live?



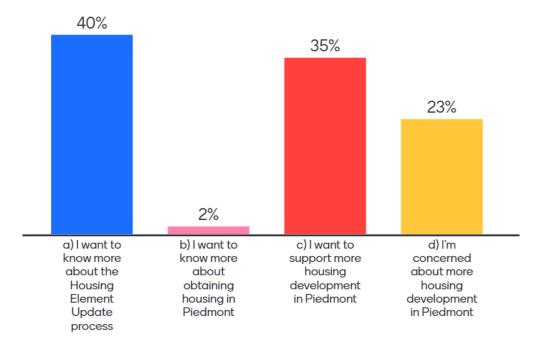
2. Where do you work?



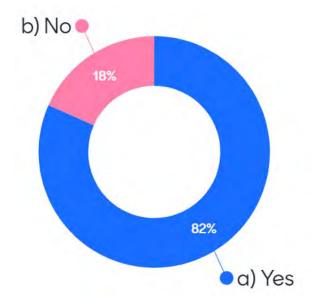


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3. Which of the following describes why you decided to attend tonight's workshop? (select all that apply)

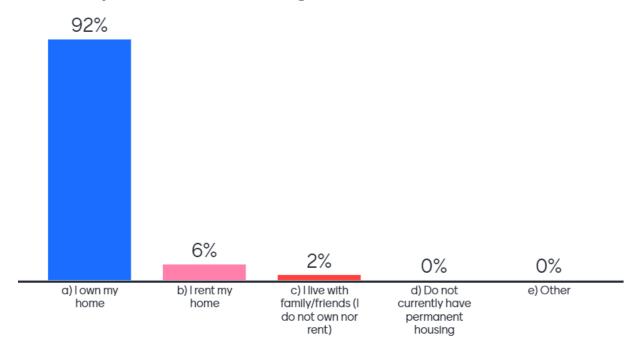


4. Have you participated in other Housing Element events?

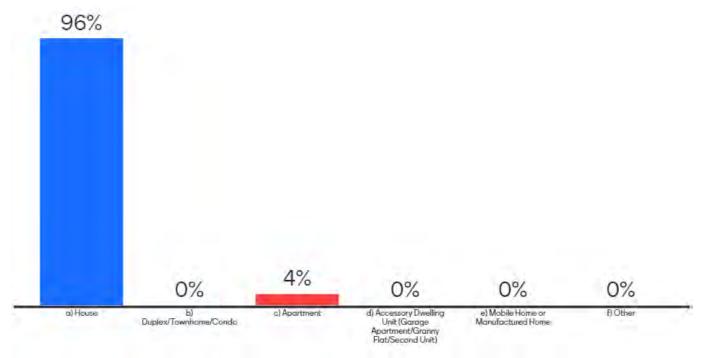




5. What is your current housing situation?



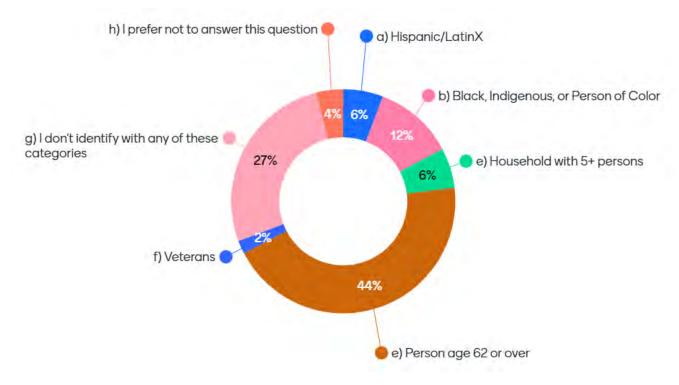
6. What type of housing do you live in?



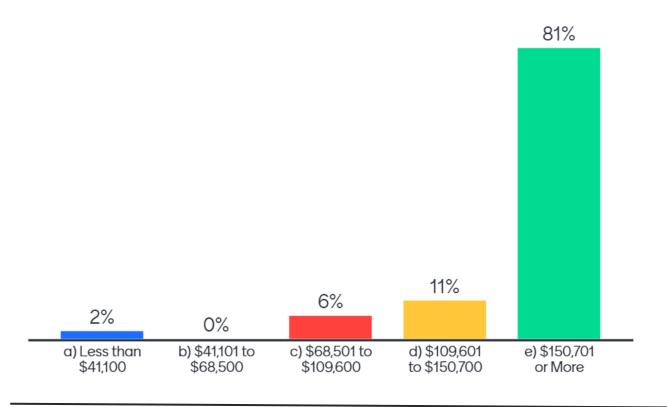


HOUSING ELEMENT UPDATE

7. Please indicate one or more of the following categories with which you identify.



8. Which bracket best describes your household income?





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Appendix 2

CHAT TRANSCRIPTION

City staff chat comments and City staff responses to participants' questions are italicized. Spelling/grammar errors were corrected.

Dave Javid: Hi all, we'll get to verbal comments after the demo, if you have any questions now please feel free to use this CHAT function.

Can you explain how to access the tool? Also, does the tool differentiate between affordable housing development sites and market rate sites?

Pierce Macdonald: They will give the link soon.

Hi! Why aren't we considering rezoning other areas?

Is there a maximum # at each location?

Doesn't seem active on my phone

Thanks for setting up this tool and meeting. I have to leave but have the link and will explore the tool over the weekend (I believe it says it's open until May 1?)

Does it block placement of puzzle pieces based on current density or is not capped?

Could you show the "i" icon for Corpus Christi please?

Will there be a later meeting at which results will be shared and discussed?

Est unit size to be considered a unit?

Pierce Macdonald: We don't have an estimated unit size yet. Are you referring to the photos of the building examples?

What is the smallest unit allowed to be considered a unit?

What is the unit size that was used in the unit/acre density examples you provided for illustrations?

Pierce Macdonald: It is a range of unit sizes. This is an important discussion point for the objective design standards.

Pierce Macdonald: Yes, the results will be shared at the Planning Commission meeting in May.

Zion Lutheran Church comprises a church a school and a parking lot that is used as the school playground. Where does the housing plan expect to build housing on that site?

Pierce Macdonald: The photos of the different building densities use a variety of unit sizes and number of bedrooms.

Pierce Macdonald: There are approximately 50 people using the app - that is great news!

Pierce Macdonald: If anyone is having trouble accessing the Piedmont Housing Puzzle, please let me know and we can provide assistance.



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City of Piedmont **Housing Element Update**

Pierce Macdonald: In order to submit, a user must reach 587 housing units. You can share and save your work and come back to it. Save and share your work button is just below the "Submit" button.

Pierce Macdonald: Please take the opportunity to use the Piedmont Housing Puzzle and submit your housing plan and comments by May 1, 2022!

What document from HCD specifically prohibits counting future SB9 and ADUS from counting toward the RHNA? I have contacted HCD and was told that they're working on that question, also two other jurisdictions were contacted, and they did not know either.

Pierce Macdonald: Information about the HCD requirements for projecting future growth based on the average rate of production in the past will be discussed in the draft Housing Element later in April 2022.

Sorry, but I am looking for a document from HCD as the authority. Not from a local opinion.

Pierce Macdonald: The Housing Element would establish policies that would enable Zion Church to design a housing development that meets their needs.

BTW, there's no sb9 history



Appendix 3

Community Feedback

Dear Pierce and Kevin,

Thank you for hosting the Housing Element workshop last evening. I'm writing to request that future community engagement sessions on the Housing Element allow **greater opportunity for community dialogue and input.** While last night's event was very informative, by the time we heard the various introductions, did the online polling, and were introduced to the Piedmont Puzzle, there was about 15 minutes left for a handful of questions and comments from the audience--not enough time to allow for any meaningful exchanges among participants. I hope that future Housing Element workshops will allow significantly more time for open and robust community dialogue, even if it requires the events to be longer.

Additionally, I would like to add my support to one of the comments last night: I hope that the City's draft Housing Element will include a recommendation to **increase allowable density in Zones A to 2-6 units per lot (depending on the size of the lot) and in Zone B to 4-8 units per lot (depending on the size of the lot).** This does not seem to be a strategy contemplated in the Pledmont Puzzle assumptions, but it is among the key policy changes that PREC's Housing Committee presented in the <u>Housing policy recommendations</u> that we sent to you in November 2021.

Thank you for accepting this feedback, and for all your work related to the Housing Element.



HOUSING ELEMENT UPDATE

Appendix F: Affirmatively Furthering Fair Housing (AFFH)

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Section F.1 Introduction

Assembly Bill 686, signed in 2018, establishes a statewide framework to affirmatively further fair housing (AFFH) with the goal of achieving better economic and health outcomes for all Californians through equitable housing policies. AB 686 requires cities and counties to take deliberate actions to foster inclusive communities, advance fair and equal housing choice, and address racial and economic disparities through local policies and programs. Housing elements are now required to address the following five components:

- 1. **Inclusive and Equitable Outreach:** A summary of fair housing outreach and capacity that includes all economic segments of the community.
- 2. **Assessment of Fair Housing:** An assessment of fair housing issues, including integration and segregation patterns, racially or ethnically concentrated areas of poverty, disparities in access to opportunity, and disproportionate housing needs of special needs groups.
- 3. **Analysis of Sites Inventory:** An evaluation of whether the sites inventory improve or exacerbate conditions for fair housing.
- 4. **Identification of Contributing Factors:** The identification and prioritization of contributing factors related to fair housing issue.
- 5. **Priorities, Goals, and Actions to AFFH:** The identification of fair housing goals and actions that directly address the contributing factors outlined above. The housing element should include metrics and milestones for evaluating progress and fair housing results.

This appendix documents AFFH components 2 through 5. The summary of AFFH-related outreach is included in Appendix E.

F.1.1 Notes on Figures and Analysis

This Appendix contains geospatial data downloaded from HCD's AFFH Data and Mapping Resources Hub. Additional analysis is sourced from the Census American Community Survey and HCD's pre-certified data, where appropriate.

Section F.2 Assessment of Fair Housing

F.2.1 Fair Housing Outreach and Enforcement

Fair housing complaints can be an indicator of housing discrimination. Fair housing issues can arise through discrimination against an individual based on the protected classifications of disability, race, national origin, familial status, disability, religion, or sex when renting or selling a dwelling unit.

The U.S. Department of Housing and Urban Development's (HUD) Office of Fair Housing and Equal Opportunity (FHEO) is the federal agency responsible for eliminating housing discrimination, promote economic opportunity, and achieve diverse, inclusive communities. FHEO services and activities include investigating fair housing complaints, conducting compliance reviews, ensuring civil rights in HUD programs, and managing fair housing grants.

The Eden Council for Hope and Opportunity (ECHO Housing) provides fair housing services to urban and unincorporated areas of Alameda County. Equal housing access is their primary service component. According to 2019 ECHO Housing data, Piedmont accounted for less than one percent of alleged housing discrimination complaints from 2015 to 2019 with most complaints occurring in Oakland followed by the City of Alameda during this time¹. These complaints within the County were mostly related to the protected classification of disability at about 37 percent, next was the protected classification of race at about 31 percent, the category of "Other" at approximately 15 percent, and the classification of familial status was fourth at about 7 percent.

The city does not have any pending lawsuits, enforcement actions, judgements, settlements, or findings related to fair housing and civil rights.

The city provides residents with fair housing information primarily by posting links to the City's website. This information includes the "Piedmont Is Home" policy initiative, requesting resident's feedback on new fair housing programs instructions on how to be included in the initiative, workshop videos, and providing relevant contact information. The City continues to receive questions, comments, and recommendations on fair housing through the Piedmont is Home website as well as direct calls from Piedmont residents. Of particular note is resident concern over housing for special needs groups including seniors, persons with disabilities, and new families with young children. These new programs are anticipated to include expanding fair housing information and resources available through the City's website. The website provides links for Housing Element updates, new housing programs, and public participation on housing policy.

F.2.2 Integration and Segregation

Piedmont's 6th Cycle Housing Element is being prepared in the context of a long history of discrimination in access to land in the Bay Area, beginning with the violent expropriation of native Ohlone territory by the Spanish Empire, continuing through the *rancho* era of Mexican independence, and perpetuated by the United States after California achieved statehood in 1848. Racial and ethnic controls were used to limit access to land and housing in Piedmont and throughout the region through a number of institutional tools. These ranged from the exclusion of Chinese laborers from legal immigration (and thus land ownership) in the 19th and early 20th century, to the use of restrictive covenants to prevent the sale of land and homes to non-white, non-Christian populations into the mid-20th century. Restrictive covenants were enforced until the passage of the Fair Housing Act of 1968, but these and other forms of institutional racism still influence patterns and trends of community wealth and population today.

Race and Ethnicity

According to the United States Census, American Community Survey (ACS), approximately 25.5 percent of the Piedmont population belonged to a racial minority group in 2019. Piedmont has less than half of the proportion of population of non-white racial and ethnic groups than Alameda County where non-white racial and ethnic groups comprises 59.5 percent of the County's total. Piedmont has a larger proportion of White, non-Hispanic residents at 71 percent of the population than the county at 31 percent (see Appendix A, Housing Needs Assessment, Section A.2.3).

¹ Regional Analysis of Impediments to Fair Housing Choice, County of Alameda, 2020. Appendix F: Affirmatively Furthering Fair Housing

Figure F-1 provides Piedmont's historic non-white population percentages by block group from 2010 ACS data. In that year two block groups had non-white populations that were below 20 percent. All the surrounding areas of the city had a non-white population of 21 to 40 percent in 2010 data.

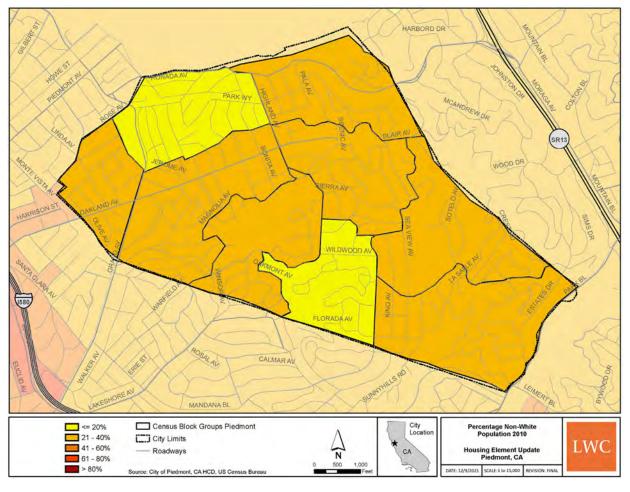


Figure F-1: Non-White Population (2010)

Figure F-2 shows the non-white population percentage by census block group for 2018. The majority of block groups in the city had a non-white population of 21 to 40 percent. One block group had a non-white population percentage of 20 percent or less, and one block had a non-white population of between 41 and 60 percent.

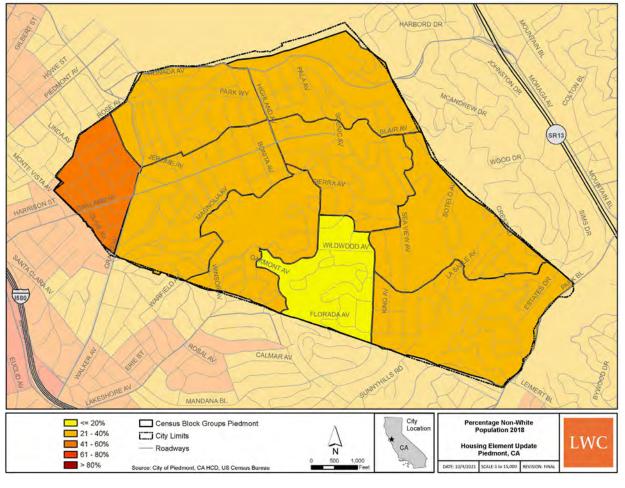


Figure F-2: Non-White Population (2018)

Source: HCD AFFH Spatial Data

The city had higher percentages of non-white population overall in 2018 as compared to 2010 according to the ACS data. The 2018 ACS data showed an increase in non-white population percentage in two block groups in the city over 2010 levels. The block group in the western portion of the city bordered by Rose Avenue and Grand Avenue had the highest non-white percentages in both years increasing from 34 to 43 percent from 2010 to 2018 according to the ACS data. Piedmont contains a racial and ethnic composition that is different from the region with a lower proportion of non-white population than the county and Bay Area Region, but it has a similar racial and ethnic composition to the block groups in Oakland that are adjacent to the city.

According to the March 2022 UC Merced Urban Policy Lab and ABAG-MTC AFFH Segregation Report (Segregation Report):

[T]he most isolated racial group (In Piedmont) is white residents. Piedmont's isolation index of 0.627 for [non-Hispanic] white residents means that the average white resident lives in a neighborhood that is 62.7% white. Other racial groups are less isolated, meaning they may be more likely to encounter other racial groups in their neighborhoods... Among all racial groups in this jurisdiction, the white population's isolation index has changed the most over time, becoming less segregated from other racial groups between 2000 and 2020.

In other words, while the majority of the Piedmont community is comprised of non-Hispanic White residents, the community has become more diverse over the past 20 years. At the same time, according to the *Segregation Report*, Piedmont has a higher degree of segregation of non-Hispanic White population than average communities in the Bay Area region and non-Hispanic White residents live in neighborhoods where they are less likely to come into contact with other racial groups.

When comparing neighborhood diversity within the City of Piedmont using the Theil's H-Index, which measures neighborhood diversity compared to the diversity of the city overall, the *Segregation Report* noted that "racial segregation in Piedmont was lower than the average value for Bay Area jurisdictions, indicating that neighborhood level racial segregation in Piedmont is less than in the average Bay Area city." This may be due to a variety of factors, including a small proportion of the City in racial or ethnic categories other than non-Hispanic White. Utilizing a different method of measure, called a Dissimilarity Index, which measures how evenly any two groups are distributed across neighborhoods relative to their representation in a city overall, the City has lower rates of dissimilarity, meaning the City has neighborhoods that are more similar and more integrated, than average communities in the Bay Area. Between groups, "the highest level of racial segregation is between Latinx and white residents." However; it is important to note that the City of Piedmont has a low (<5%) proportion of Black/African American residents, indicating segregation between the jurisdiction and the region (inter-city segregation) is likely to be an important feature of Piedmont's segregation patterns rather than intra-city (within the City) segregation.

(See Attachment 1 for more information from the Segregation Report)

Disability

People are considered to have a disability if they have one or more of the following: hearing difficulty, vision difficulty, cognitive difficulty, ambulatory difficulty, self-care difficulty, and independent living difficulty. Figure F-3 presents the ACS 2010 to 2014 data for percentage of population with a disability and Figure F-4 shows the ACS 2015 to 2019 data for percentage of population with a disability.

According to the 2015 to 2019 ACS, approximately 7.1 percent of Piedmont residents had a disability, compared to 9.2 percent countywide (Table F-1). All census tracts in Piedmont consisted of less than 10 percent of residents experiencing disability during both five-year time periods. The distribution of this population is not appreciably different from the block groups in Oakland that are adjacent to the city.

Table F-1: Percentage of Population with a Disability (2019)

Year	Piedmont		Alameda County	
	Number	Percentage	Percentage	
2019	808	7.1%	9.2%	
Source: ACS 2019 5-Year Estimates, Table S1810				

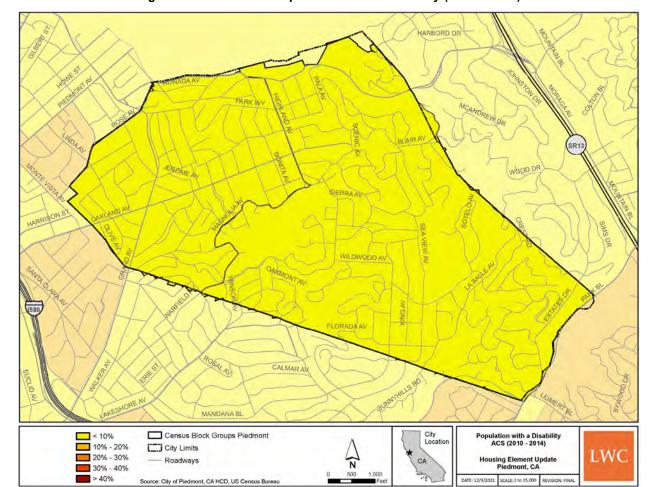


Figure F-3: Percent of Population with a Disability (2010 - 2014)

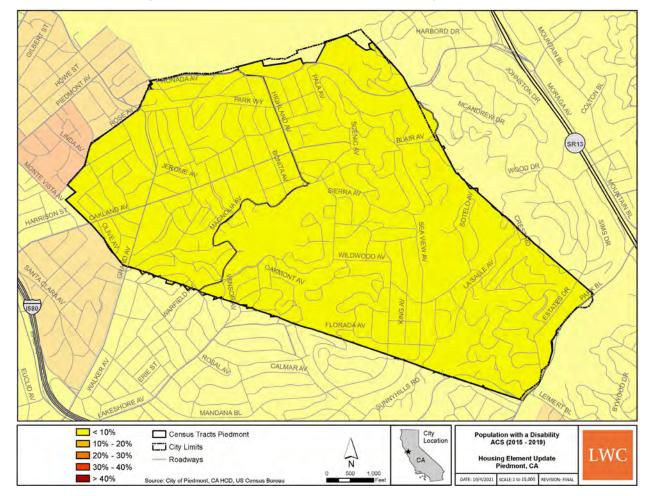


Figure F-4: Percent of Population with a Disability (2015 - 2019)

Source: HCD AFFH Spatial Data

Familial Status

Familial status refers to the presence of at least one child under 18 years old. Examples of familial status discrimination include refusal to rent to families with children, eviction of families once a child joins, confinement of families to specific floors of a building, and overly restrictive rules regarding children's use of common areas.

According to the 2015 to 2019 ACS, 39.6 percent of households in Piedmont have one or more children under the age of 18. The city's share of households with children present is higher than that of the county overall at 33.6 percent. It is also higher than the surrounding neighboring jurisdictions of Oakland (27.4 percent), Emeryville (10.8 percent), and Berkeley (19.7 percent). Approximately 34.9 percent of married person households in Piedmont have one or more children under the age of 18 (Table F-2).

Table F-2: Percentage of Married-Couple Households with Children

Year	Piedmont	Alameda County			
2019	34.9%	23.4%			
Source: ACS 2019 5-Year Estimates, Table DP02					

Figure F-5 shows the distribution of children in married couple households in Piedmont. The percentage of children residing within married couple households is consistent across the city at over 80 percent according to the most recent ACS data.

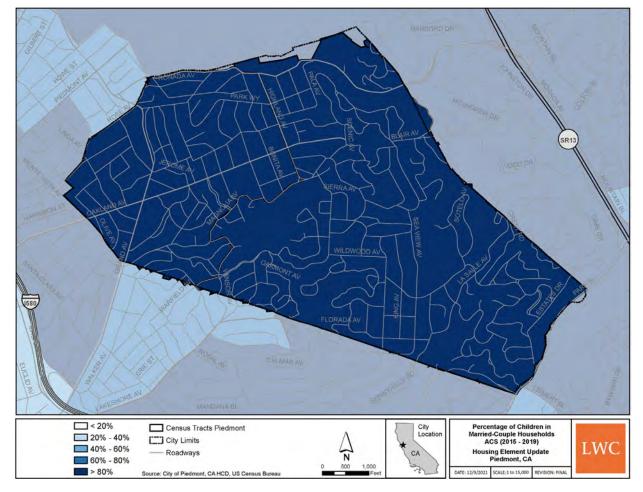


Figure F-5: Children in Married-Couple Households (2015 - 2019)

Source: HCD AFFH Spatial Data

Single parent households are also a fair housing protected class. Piedmont has 2.1 percent of households comprised of male or female single-parent households. Of particular consideration are female-headed households, who may experience greater housing affordability challenges due to typically lower household incomes compared to two-parent households. An estimated 1.9 percent of households in Piedmont are single female-headed households with children (Table F-3).

Table F-3: Percentage of Female-Headed Households with Children, No Spouse/Partner Present

Year	Piedmont	Alameda County			
2019	1.9%	4.1%			
Source: ACS 2019 5-Year Estimates, Table DP02					

² This estimate is 5.8 percent in Appendix A due to a different data source (ACS 2019 5-year Estimate, Table B11001). Appendix F: Affirmatively Furthering Fair Housing

As shown in Figure F-6, Piedmont has very little variability in the percentage of children in single female-headed households. The number of children in female-headed households is similar across the city at 6.0 percent in the western tract and 4.8 percent in the eastern tract according to ACS data.

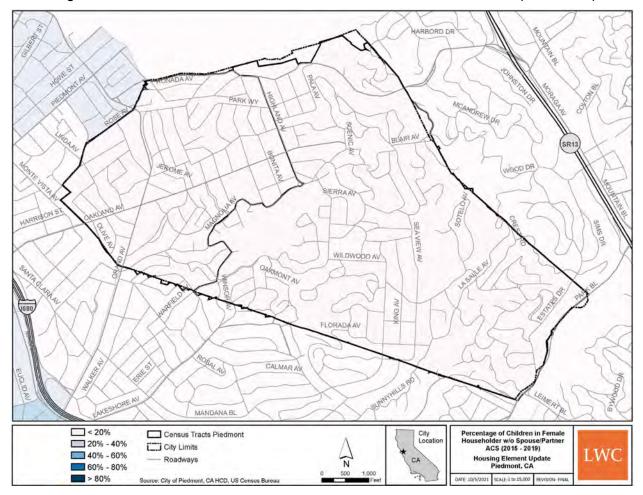


Figure F-6: Children in Female-Headed Households with No Partner Present (2015 - 2019)

Income

According to the 2015 to 2019 ACS, the median household income in Piedmont is \$224,659, which is more than double the Alameda County median of \$99,406 over the same period.

Figure F-7 displays the distribution of median household income by census block group in Piedmont. No variation in household income is evident in adjacent block groups in the city but three block groups did not have income data. The missing census block data were due to the number of households in these census blocks causing data suppression. The missing household income information was replaced by ACS 2019 five-year data (Table S1901) from census tract 4261 as noted in Figure F-7.

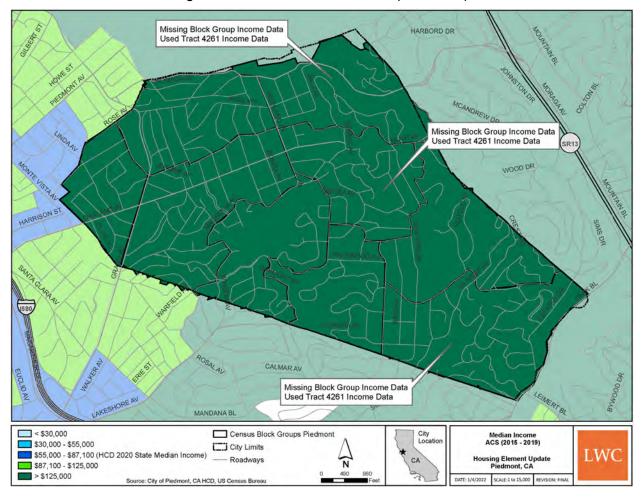


Figure F-7: Median Household Income (2015 - 2019)

Source: HCD AFFH Spatial Data

The city has high incomes overall with all six block groups and the tract-level data exceeding \$125,000, which is much higher than the 2020 state median income of \$87,000. Median household incomes in Piedmont and Alameda County for 2019 are presented in Table F-4.

Table F-4: Median Household Income

Year	Piedmont	Alameda County	
2019	\$224,659	\$99,406	
Source: ACS 2019 5-Year Estimates, Table S1901			

Low to Moderate Income Households

Figure F-8 displays income distribution across Piedmont by showing the estimated percentage of low to moderate (LMI) income households by census tract. Neither of the tracts in Piedmont has more than 25% LMI households. The eastern tract has an estimated 525 LMI households representing 8.74 percent of the total, and the western tract has an estimated 480 LMI households representing 10.63 percent of the total. Levels of LMI households in areas to the north and east of the City are similar to Piedmont, while areas to the south and west of the city have higher levels of LMI households than Piedmont. This pattern reflects the general trend within Oakland of LMI households increasing from east to west

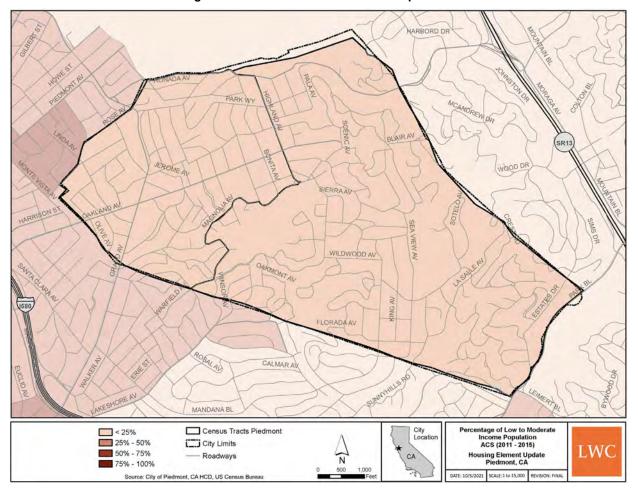


Figure F-8: Low to Moderate Income Population

Source: HCD AFFH Spatial Data

Income should also be disaggregated by race and ethnicity to further understand local patterns of segregation and integration. The poverty rates among racial and ethnic groups in Piedmont and Alameda County are presented in Table F-5. Although the citywide poverty rate was low at 2.4 percent in 2019 compared to 9.9 percent for Alameda County, not all racial and ethnic groups in Piedmont have the same likelihood of experiencing poverty.

As shown in Table F-5, a higher percentage of Hispanic or Latino individuals in Piedmont experience poverty than other racial or ethnic groups at 7.0 percent. This level is significant because this group represents only 4.2 percent of the total population according to ACS data. The poverty rate for Latinos in Alameda County is 12.5 percent.

Table F-5: Poverty by Race/Ethnicity (2019)

	Piedmont			Alameda County
Race/Ethnicity	Number in Poverty	Poverty Rate	% of Total Population	Poverty Rate
Total population below poverty level estimate	275	2.4%	-	9.9%
White alone	182	2.2%	74.5%	7.7%
Black or African American alone	0	0.0%	1.4%	20.0%
American Indian and Alaska Native alone	0	0.0%	0.0%	15.0%
Asian alone	84	4.2%	17.8%	7.9%
Native Hawaiian/Other Pacific Islander alone	0	0.0%	0.1%	9.1%
Some other race alone	0	0.0%	0.2%	14.4%
Two or more races	9	1.3%	6.0%	8.9%
Hispanic or Latino origin (of any race)	33	7.0%	4.2%	12.5%
Source: ACS 2019 5-Year Estimates, Table S1701				

According to the Segregation Report, when analyzing isolation based on income:

Above Moderate-income residents are the most isolated income group in Piedmont. Piedmont's isolation index of 0.845 for these residents means that the average Above Moderate-income resident in Piedmont lives in a neighborhood that is 84.5% Above Moderate-income. Among all income groups, the Low-income population's isolation index has changed the most over time, becoming less segregated from other income groups between 2010 and 2015.

Utilizing the dissimilarity index measurement of isolation and segregation, the *Segregation Report* noted that "Segregation in Piedmont between lower-income residents and residents who are not lower-income decreased between 2010 and 2015...[Additionally,] lower-income residents are less segregated from other residents within Piedmont compared to other Jurisdictions in the region."

When looking at isolation and segregation by income at a regional perspective, "Piedmont had a lower share of very low-income residents than the Bay Area as a whole, a lower share of low-income residents, a lower share of moderate-income residents, and a higher share of above moderate-income residents"

F.2.3 Racially or Ethnically Concentrated Areas of Poverty

Racially or Ethnically Concentrated Areas of Poverty (R/ECAP) are areas that exhibit both high racial/ethnic concentrations and high poverty rates. HUD defines R/ECAPs as census tracts with a majority non-white population (50 percent or more) and a poverty rate that exceeds 40 percent or is three times the average poverty rate for the county, whichever is lower.

R/ECAPs may indicate the presence of disadvantaged households facing housing insecurity and need. They identify areas whose residents may have faced historical discrimination and who continue to experience economic hardship, furthering entrenched inequities in these communities. According to the HUD data, there are no R/ECAPs in Piedmont or in the surrounding area (Figure F-9). The R/ECAPs closest to Piedmont are located along Interstate Highway 980 to the west of the city.

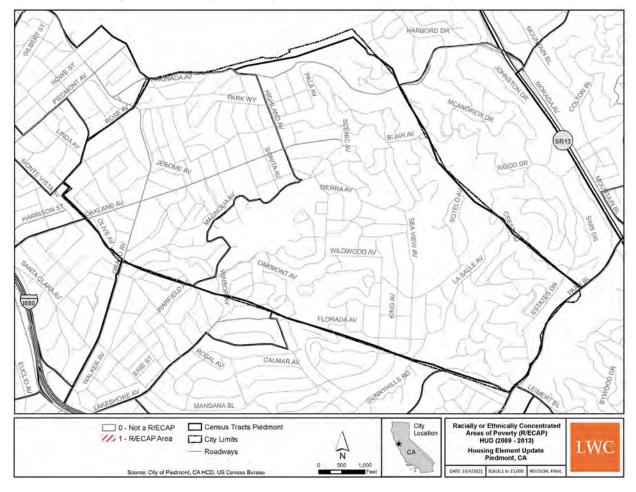


Figure F-9: Racially/Ethnically Concentrated Areas of Poverty (2009 - 2013)

Source: HCD AFFH Spatial Data

Racially or Ethnically Concentrated Areas of Affluence (RCAAs)

Racially or Ethnically Concentrated Areas of Affluence (RCAAs) are neighborhoods in which there are both high concentrations of non-Hispanic White households and high household income rates. Based on research from the University of Minnesota Humphrey School of Public Affairs, RCAAs are defined as census tracts where 80 percent or more of the population is white, and the median household income is \$125,000 or greater (which is slightly more than double the national median household income in 2016).

However, HCD has adjusted the RCAA methodology in consideration of California's higher levels of diversity by lowering the white population percentage threshold to 50 percent. According to 2010 data available from HCD for this evaluation and provided in Figure F-10, Piedmont census tracts are both predominant (greater than 50 percent) white majority at 56 percent in the east and 52 percent in the west, and these areas contain median incomes above \$125,000 (Figure F-7). Therefore, both census tracts meet the criteria to be considered a RCAA. Portions of Oakland to the north, south, and east of Piedmont also meet the RCAA criteria.

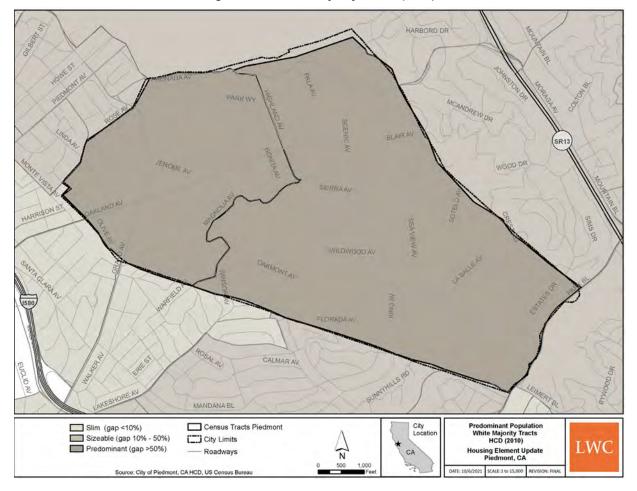


Figure F-10: White Majority Tracts (2010)

F.2.4 Access to Opportunity

One important component of fair housing is a neighborhood's access to opportunity, which correlates relative place-based characteristics of an area, such as education, employment, safety, and the environment, with critical life outcomes, such as health, wealth, and life expectancy. Ensuring access to opportunity means both investing in existing low-income and underserved communities, as well as supporting residents' mobility and access to 'high resource' neighborhoods.

In February 2017, the Department of Housing and Community Development (HCD) and the California Tax Credit Allocation Committee (TCAC) convened the California Fair Housing Task Force to provide research and evidence-based policy recommendations to further HCD's fair housing goals of (1) avoiding further segregation and concentration of poverty and (2) encouraging access to opportunity through land use policy and affordable housing, program design, and implementation.

HCD and TCAC prepared opportunity maps to identify census tracts with the highest and lowest resources. High resource areas are areas with high index scores for a variety of opportunity indicators. Examples of indicators of high resources areas include high employment rates, low poverty rates, proximity to jobs, high educational proficiency, and limited exposure to environmental health hazards.

High resources tracts are areas that offer low-income residents the best chance of a high quality of life, whether through economic advancement, high educational attainment, or clean environmental health. Census tracts in the city that are categorized as moderate resource areas have access to many of the same resources as the high resource areas but may have fewer job opportunities, lower performing schools, lower median home values, or other factors that lower their indexes across the various economic, educational, and environmental indicators.

Low resources areas are characterized as having fewer opportunities to employment and education, or a lower index for other economic, environmental, and educational indicators. These areas have greater quality of life needs and should be prioritized for future investment to improve opportunities for current and future residents.

The opportunity maps inform TCAC, which oversees the Low-Income Housing Tax Credit Program, to distribute funding more equitably for affordable housing in areas with the highest opportunity. The analysis evaluates total access to opportunity and categorizes this access as high, moderate, or low, but also individually assesses opportunity access across more specific indicators, such as education, transportation, economic development, and environment.

TCAC Opportunity Areas - Composite Score

The 2021 TCAC Opportunity Areas Composite Score provides an aggregate index of three domains: economic, education, and environmental. Census tracts with higher composite scores indicate higher resource and higher opportunity areas overall. Piedmont is designated a highest resource area in this category (Figure F-11). Composite scores are also in the highest resource category in areas to the north and south of the city with the scores generally decreasing from east to west across Oakland in the surrounding areas.

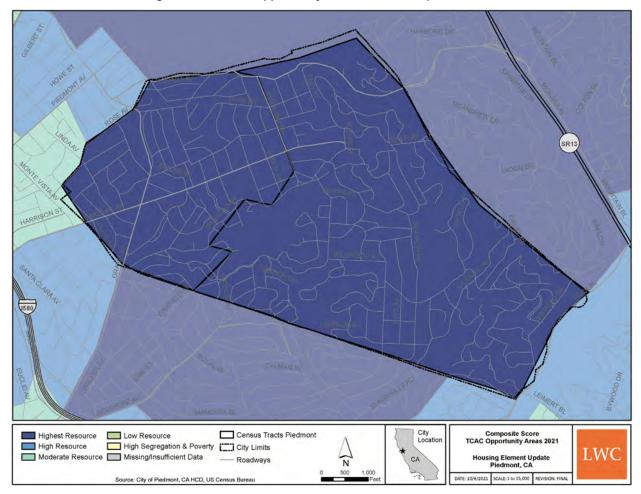


Figure F-11: TCAC Opportunity Areas 2021 - Composite Score

Economic Score

The 2021 TCAC Opportunity Areas Economic Score for a census tract is based on poverty, adult education, employment, job proximity, and median home value indicators. The score is broken up by quartiles, with the highest quartile indicating more positive economic outcomes and the lowest score indicating least positive outcomes. The city's two census tracts have the highest economic scores of 0.75 to 0.99 as shown in Figure F-12, generally indicating the most positive economic outcomes for residents. Economic scores in the surrounding Oakland areas are very similar to Piedmont. Economic scores generally decrease from east to west across Oakland in the surrounding areas.

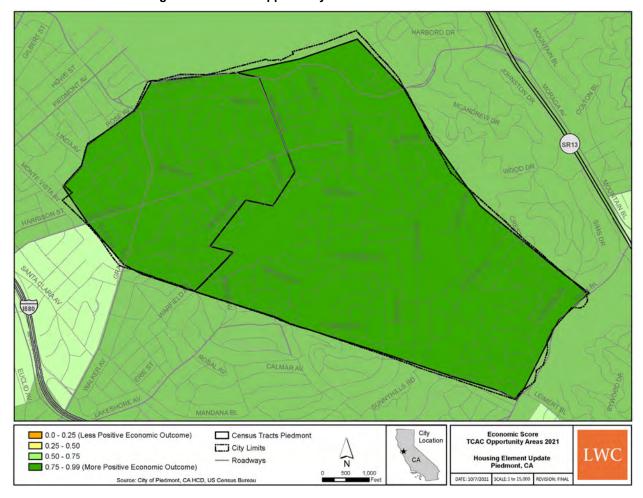


Figure F-12: TCAC Opportunity Areas 2021 - Economic Score

Education Score

The 2021 TCAC Opportunity Areas Education Score for a census tract is based on math and reading proficiency, high school graduation rate, and student poverty rate indicators. The score is broken up by quartiles, with the highest quartile indicating more positive education outcomes and the lowest quartile signifying fewer positive outcomes. As shown in Figure F-13, the city has the highest education score of greater than 0.75 overall. These scores suggest that students of all ages generally have positive educational outcomes. Education scores in Oakland are similar to those in Piedmont in the areas to the north of the Piedmont with the scores generally decreasing from north to south across Oakland.

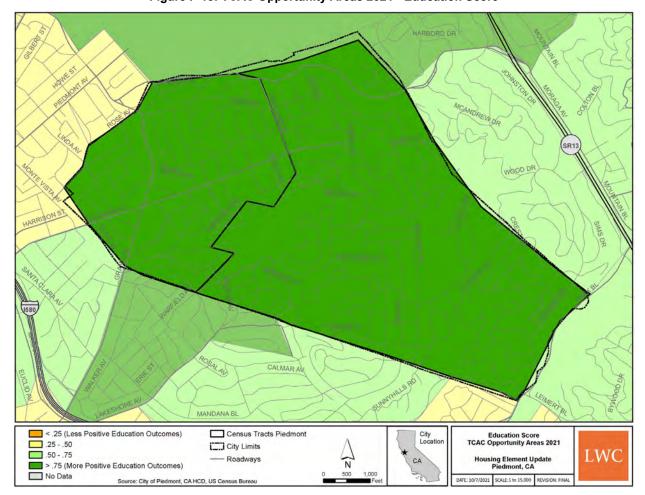


Figure F-13: TCAC Opportunity Areas 2021 - Education Score

Environmental Score

Environmental scores for census tracts presented in Figure F-14 are based on 2021 TCAC Opportunity Areas Environmental Scores that reflect environmental risk. The scores are divided into quartiles with higher scores representing more positive environmental outcomes and lower scores indicating least positive environmental outcomes for residents living there. The city contains the highest environmental scores which indicates that residents are exposed to relatively lower environmental risk factors (Figure F-14). Oakland's environmental scores are similar to those in Piedmont in areas to the north, east, and west of Piedmont with the scores generally decreasing from east to west across Oakland.

The updated Environmental Hazard Element in the General Plan was adopted in February 2020. The focus of this document is on the prevention and mitigation of geologic hazards, wildfires, flooding, hazardous materials management, and noise control.

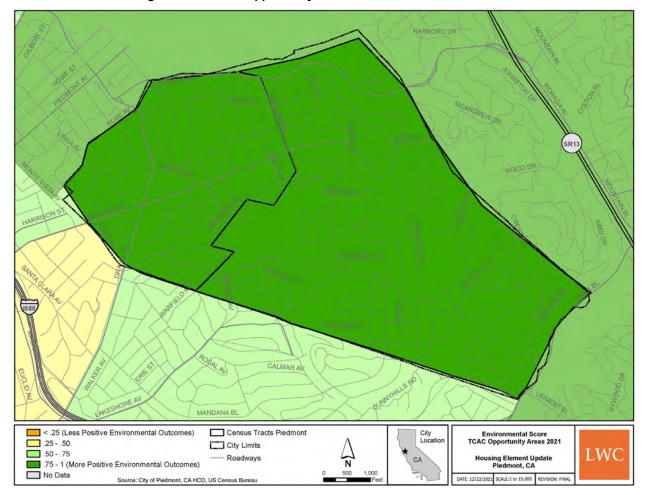


Figure F-14: TCAC Opportunity Areas 2021 - Environmental Score

Jobs Proximity Index

HUD's Jobs Proximity Index for a census tract measures the area's distance from employment. This index can be used as a proxy to indicate relative transportation needs in a community. The score is broken up by quintiles, with the highest quintile representing areas closest to job centers. The Jobs Proximity Index score is varied across Piedmont. The score improves from east to west across the city with the western portion in the highest quintile indicating relatively closer proximity to job centers as shown in Figure F-15. Approximately 196 people are both employed and live in Piedmont, which is 10.6 percent of employed residents³. The largest proportion of employed Piedmont residents work in the City of Oakland at 34.6 percent, followed by the City of Piedmont (10.6 percent), the City of Berkeley (5.2 percent), and the City of San Francisco (4.9 percent).

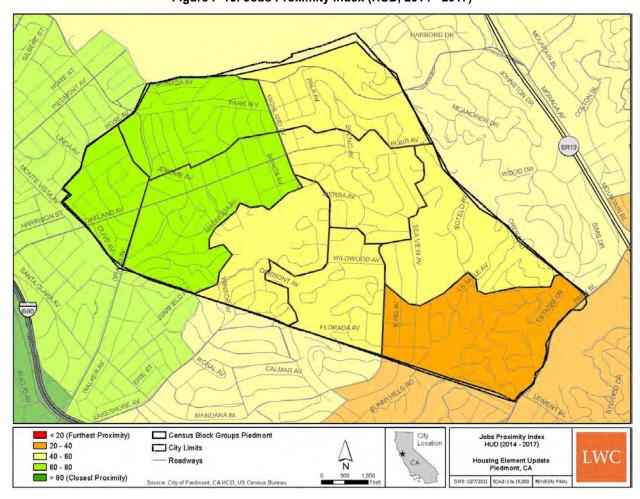


Figure F-15: Jobs Proximity Index (HUD, 2014 - 2017)

Disparities in Access to Opportunity for Persons with Disabilities

People with disabilities often experience challenges with accessibility, discrimination, and housing choice that make it difficult to find suitable housing to meet their needs. This section analyzes such disparities to ensure the City is able to adequately serve its residents with disabilities.

According to the Needs Assessment (Appendix A, Figure A-23), the most common types of disabilities in Piedmont in 2018 were hearing difficulty followed by independent living difficulty. Disability categories are counted separately and are not mutually exclusive, as an individual may report more than one disability. A total of 7.1 percent of Piedmont residents have a disability of some kind according to 2015 to 2019 ACS data.

The California Department of Developmental Services (DDS) currently provides community-based services to approximately 350,000 persons with developmental disabilities and their families through a statewide system of regional centers, developmental centers, and community-based facilities. DDS also provides data on developmental disabilities by age and type of residence. According to DDS and as shown in the Needs Assessment (Appendix A, Table A-6), there are about 44 residents with a development disability in Piedmont with most of them (34) able to live in their own home with their parent or guardian.

There are a variety of housing types appropriate for people with disabilities, such as licensed and unlicensed single-family homes, group homes, and transitional and supportive housing. The design of housing-accessibility modifications, proximity to services and transit, and the availability of group living opportunities represent some of the types of considerations that are important in serving this need group. The Housing Constraints Appendix (Appendix C) discusses how the city permits various housing types, including the allowance for reasonable accommodations. While there are no current supportive housing projects in Piedmont, the City has approved several applications for reasonable accommodation.

Several facilities in Alameda County provide care and housing for people with disabilities. These include the Housing Consortium of the East Bay, Community Resources for Independent Living, and EveryOne Home. Also, the Center for Independent Living with locations in Berkeley and Oakland provides services for people with disabilities as does the Alameda County Health Care Services Agency.

Furthermore, the Alameda County Social Services Agency operates the In-Home Supportive Services (IHSS) program for low-income seniors or people with disabilities. This program provides support for individuals such as meal preparation, laundry, house cleaning, and personal care to enable them to live at home.

Disparities in Access to Transportation Opportunities

The HUD Low Transportation Cost Index is based on estimates of transportation costs for a family that meets the following description: a three-person single-parent family with income at 50 percent of the median income for renters for the region. These estimates originate from the Location Affordability Index (LAI). Transportation costs are modeled for census tracts as a percent of income for renters in these households.

Index values are inverted, and percentile ranked nationally, with values ranging from 0 to 100. Higher index values indicate lower transportation costs in that neighborhood. Transportation costs may be low within a tract for a range of reasons, including greater access to public transportation and the density of homes, services, and jobs in that area.

Figure F-16 shows the Transportation Cost Index ranges in Piedmont. The city contains only one range for the index, the 79 to 99 quintile. The index values in the eastern and western census tracts are 85 and 90, respectively. The values indicate those areas of Piedmont are estimated to have lower transportation costs than that percentage (85 and 90) of the nation. Transportation costs are therefore estimated to be very low across the city and access to transportation options are relatively even.

Residents have several public transit options. Piedmont contains several Alameda Contra Costa Transit District (AC Transit) bus routes. Three AC Transit bus routes through Piedmont provide trans-bay access (lines C, P, and V) and four AC Transit routes (lines 11, 12, 18, and 41) provide local bus service to Piedmont. The transbay bus routes generally provide westbound transportation in the morning and eastbound traffic in the late afternoon on weekdays. Residents also have access to on-demand shuttle and ride services for residents with disabilities and other special needs through the East Bay Paratransit Consortium.

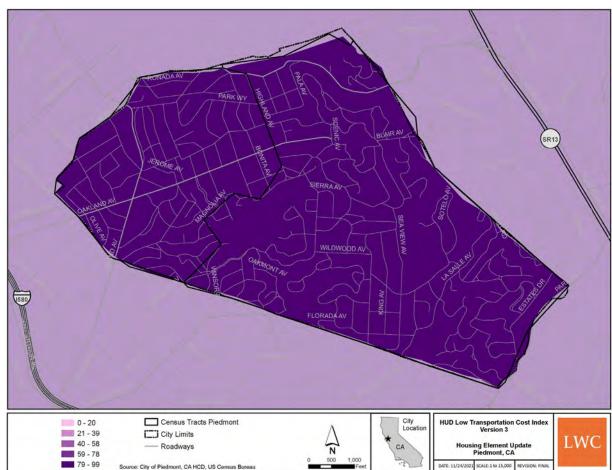


Figure F-16: HUD Low Transportation Cost Index

Source: HUD Spatial Data

F.2.5 Disproportionate Housing Needs

Disproportionate Housing Needs analyzes if there are significant disparities in the proportion of members of a protected class that may be experiencing a category of housing need (e.g. overpayment, overcrowding, or substandard housing) when compared to the proportion of members of another group experiencing the same housing need in the City.

Overpayment

HUD defines overpayment, or "housing cost burden", as households paying 30 percent or more of their gross income on housing expenses, including rent or mortgage payments and utilities. Housing cost burden is considered a housing need because households that overpay for housing costs may have difficulty affording other necessary expenses, such as childcare, transportation, and medical costs.

Overpayment by Renters

Renters are more likely to overpay for housing costs than homeowners. As presented in the Needs Assessment (Appendix A), 21.1 percent of renters across Piedmont are cost burdened. The percentage of renter households exhibiting cost burden is highest in western census tract where there is a mix of housing types at about 25 percent and is about 16 percent in the eastern portion of the city (Figure F-17). This census tract also contains the highest amount of LMI population at about 11 percent. According to the Needs Assessment (Appendix A), a total of 37 percent of households in Alameda County are cost burdened.

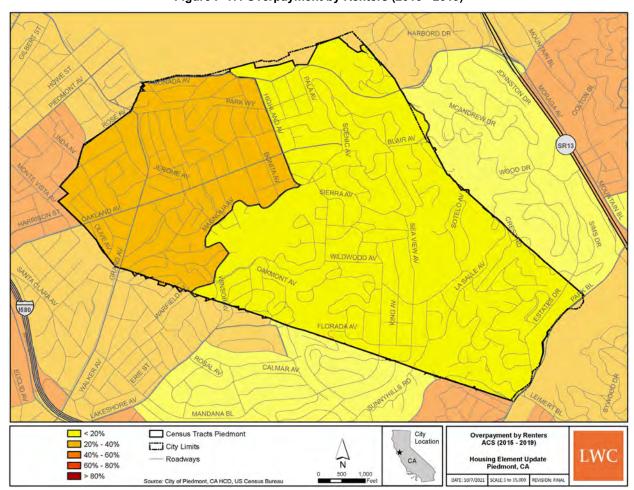


Figure F-17: Overpayment by Renters (2015 - 2019)

Overpayment by Homeowners

Homeowners generally experience a lower rate of cost burden than renters. Figures F-18 shows the percentages of homeowners experiencing overpayment in the 2015 to 2019 time period. Percentages of homeowners experiencing overpayment are about 24 percent in the eastern census tract and approximately 34 percent in the western tract. As noted above, a total of 37 percent of households in Alameda County are cost burdened.

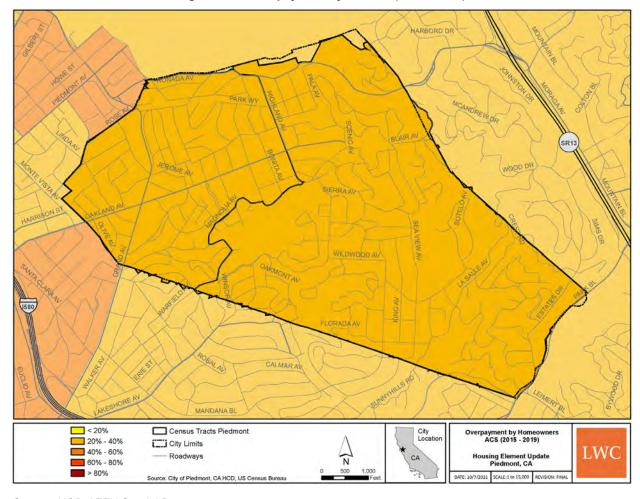


Figure F-18: Overpayment by Owners (2015 - 2019)

Source: HCD AFFH Spatial Data

Overcrowding

Overcrowding is defined by the Census as a unit in which more than one person occupies a room (excluding bathrooms and kitchens) while severe overcrowding occurs when more than 1.5 people occupy a room. Overcrowded households are an indicator of housing needs, as lower income families or individuals may choose to live together in smaller spaces to save money on housing costs.

In addition to the strain on residents' mental health, overcrowding can also lead to more rapid deterioration of the property due to increased usage. According to the 2015 to 2019 ACS data, 0.2 percent of households in Piedmont experienced overcrowding and 0.1 percent experienced severe overcrowding. The city's overcrowding rates are much less than Alameda County at 5.0 percent and the city's severely overcrowded rate is also much lower than the county's 2.8 percent (Table F-6).

Table F-6: Overcrowding and Severe Overcrowding Rates

	Piedmont		Alameda County	
Occupants Per Room	Units	Percentage	Percentage	
1.01 to 1.5	9	0.2%	5.0%	
1.51 or more	5	0.1%	2.8%	
Source: ACS 5-Year Estimates. Table DP04				

The distribution of overcrowded households in Piedmont are shown by census tract in Figure F-19. Both tracts within the city are below the state average levels of overcrowding at equal to or less than 8.2 percent. The statewide spatial data for severe overcrowding did not contain any values in the vicinity of Piedmont as shown in Figure F-20.

ARBORD DE WILDWOOD AV FLORADA AV CALMARA MANDANA BL <= 8.2 (Statewide Average)</p> Census Tracts Piedmont City Location Overcrowded Households CHHS (2011 - 2015) = 12 City Limits <= 15 **LWC** - Roadways Housing Element Update Piedmont, CA <= 20 ATE: 10/7/2021 | SCALE:1 to 15,000 | REVISION: FIR Source: City of Piedmont, CA HCD, US Census Bu

Figure F-19: Overcrowded Households

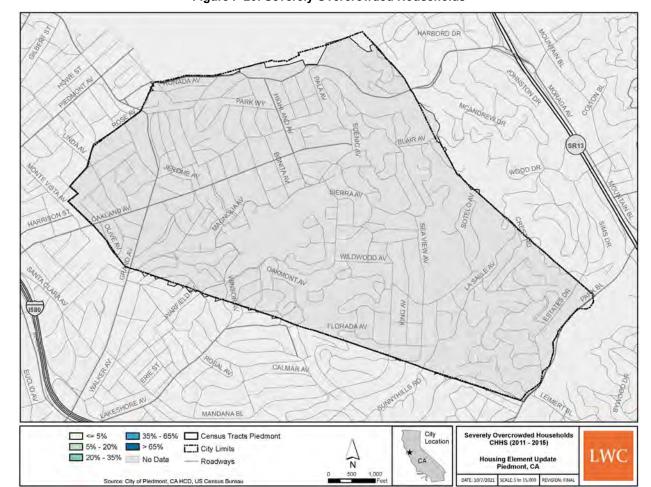


Figure F-20: Severely Overcrowded Households

Location Affordability Index

Figure F-21 shows the median gross rent across Piedmont per HUD's Location Affordability Index for the years 2012 to 2016. This index estimates household housing and transportation cost on a neighborhood-scale. These estimates show that most of the city has a relatively high index value between \$2,500 and \$3,000 per month. The western census tract has the next lower index value of between \$2,000 and \$2,500 per month.

This Needs Assessment (Appendix A) indicates the median monthly rent paid in Piedmont in 2019 was \$3,130 according to ACS 2015 to 2019 data. This rent amount is primarily affordable to above-moderate income households but would be considered a cost-burden for moderate to lower-income households. It is more expensive to rent housing in Piedmont than it is in Alameda County and the Bay Area (Needs Assessment Appendix A, Figure A-40).

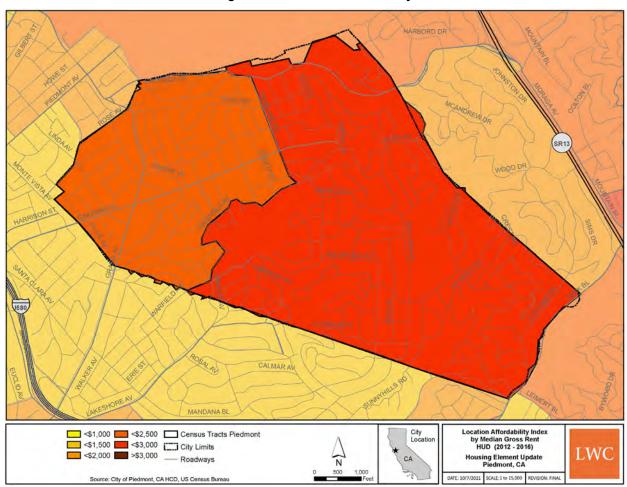


Figure F-21: Location Affordability

Substandard Housing

Incomplete plumbing or kitchen facilities can be used as a proxy to indicate substandard housing conditions. According to the 2015 to 2019 ACS, no Piedmont households lacked complete plumbing facilities and no households lacked complete kitchen facilities. Within Alameda County the number of households lacking each are 0.4 percent and 1.0 percent, respectively (Table F-7).

The age of housing stock can also be an indicator of substandard housing. As homes get older, there is a greater need for maintenance and repair. If not properly addressed, an aging housing stock can result in poorer living standards, incur more expensive repair costs and, under certain conditions, lower overall property values.

Piedmont's housing stock is generally older than that of Alameda County. According to the Needs Assessment (Appendix A), 86.5 percent of Piedmont's housing stock was built before 1960 compared to 39.2 percent of units in Alameda County.

The greatest share of Piedmont's housing units was built in 1939 or earlier, with 2,523 units constructed during this period, or approximately 64.1 percent of all housing units. The largest portion of Alameda County housing units were built between 1960 and 1979.

	_			
	Piedmont		Alameda County	
Substandard Condition	Units	Percentage	Percentage	
Lacking complete plumbing facilities	0	0.0%	0.4%	
Lacking complete kitchen facilities	0	0.0%	1.0%	
Source: ACS 5-year estimates 2015-2019, Table DP04				

Table F-7: Substandard Housing Rates (2019)

Displacement Risk

The University of California Berkeley's Urban Displacement Project (UDP) uses data-driven research to produce maps identifying sensitive communities that are at-risk of displacement. UDP defines sensitive communities as currently having "populations vulnerable to displacement in the event of increased redevelopment and drastic shifts in housing cost". Vulnerability was determined based on the following characteristics:

• The share of very low-income residents is above 20 percent:

AND

- The tract meets two of the following criteria:
 - Share of renters is above 40 percent
 - Share of people of color is above 50 percent
 - Share of very low-income households that are severely rent burdened households is above the county median
 - o Percent change in rent is above county median rent increase
 - Rent gap, which is the difference between tract median rent and median rent for surrounding areas

UDP has not identified any vulnerable communities within city limits (Figure F-22).

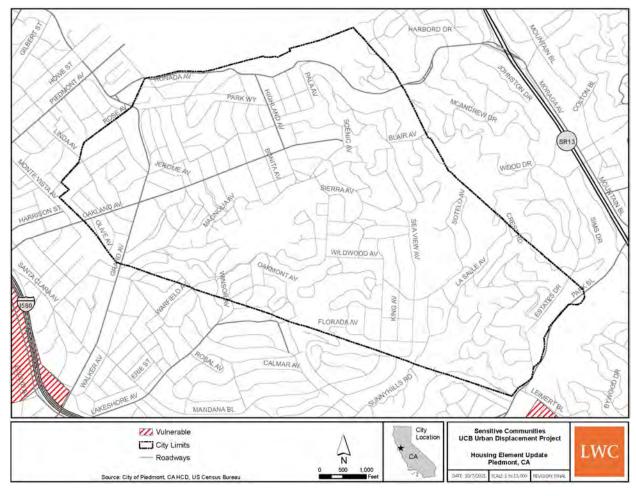


Figure F-22: Vulnerable Communities (2019)

Source: HCD AFFH Spatial Data

Homelessness

Information on homelessness and City resources for homeless persons is provided in Section A.3.4 Special Housing Needs of the Needs Assessment (Appendix A).

The US Department of Housing and Urban Development (HUD) requires communities to conduct a Point-in-Time (PIT) Count of individuals and families experiencing homelessness every two years in January. The most recent PIT for Alameda County was conducted in 2019 and was managed by the Office of Homeless Care and Coordination within the Alameda County Health Care Services Agency. According to the most recent PIT, there were no sheltered or unsheltered homeless populations in Piedmont at that time.

Piedmont is part of the Alameda County Continuum of Care (CoC). The lead agency for the Alameda County COC is EveryOne Home which is a network of private and public sector homeless service providers established to promote community-wide planning and strategic use of resources to address homelessness. As a member of the Alameda County CoC, EveryOne Home can provide homeless services to all individuals requiring support within Piedmont.

Rates of Homeownership by Race and Ethnicity

The homeownership rate is about 88 percent in Piedmont compared to about 54 percent in Alameda County. However, not all racial and ethnic groups have a similar probability of owning a home. The 2019 ACS data for percentages of occupied housing units by race in Piedmont is presented in Table F-8.

The rates of homeownership are lower than renting for Black residents and individuals identified as some other race alone. The difference is greatest for Black residents by a 0.7 to 5.2 percent margin. Asian residents are more than twice as likely to own their housing unit than rent. Renting versus ownership rates are similar for Latinos at 1.9 to 2.6 percent, respectively. Groups that have lower rates of homeownership are more at risk of being displaced due to rising rental prices.

Race/Ethnicity	Renter Occupied Units		Owner (Occupied Units	Total Occupied Units	
	Number	% of Total	Number	% of Total		
White alone, not Latino	399	85.8%	2,780	82.4%	3,179	
Black or African American alone	24	5.2%	22	0.7%	46	
American Indian and Alaska Native alone	0	0.0%	0	0.0%	0	
Asian alone	33	7.1%	539	16.0%	572	
Native Hawaiian/Other Pacific Islander alone	0	0.0%	0	0.0%	0	
Some other race alone	9	1.9%	0	0.0%	9	
Two or more races	0	0.0%	32	0.9%	32	
Hispanic or Latino origin	9	1.9%	89	2.6%	98	
Source: ACS 2019 5-Year Estimates, Table S2502						

Table F-8: Housing Tenure by Race/Ethnicity in Piedmont (2019)

One obstacle to home ownership is lack of access to the first tier of the financial system to obtain banking services and loans. The Federal Financial Institutions Examination Council (FFIEC) provides the Community Reinvestment Act (CRA) July 2021 census tract spatial data known as CRAMap 2021 (www.ffiec.gov/cra/). Included in the CRAMap 2021 spatial data is the Unbanked index which provides an estimate of households lacking access to the primary banking system. This index estimates the likelihood of a household will lack both a savings and checking account with a bank, thrift, or credit union.

Figure F-23 presents the estimates for the percentages of households that lack access to banking and credit from the CRAMap 2021 Unbanked index. Identifying areas with relatively higher levels of residents without access to the primary banking system can facilitate the process of providing them first-tier financial services. This may aid lower income residents in avoiding a dependency on second-tier services, particularly predatory lenders.

As displayed in Figure F-23, estimates of households without access to primary banking and credit are very low across the city. The eastern and western census tracts have very low estimates of unbanked households where the rates are 0.15 to 0.32 percent, respectively.

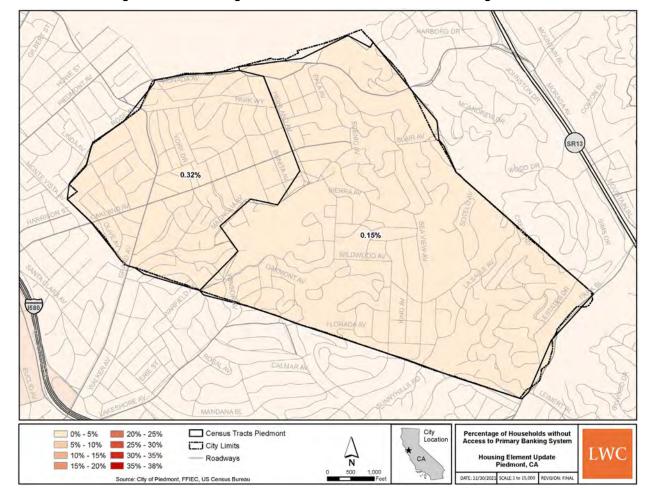


Figure F-23: Percentage of Households without Access to Banking or Credit

Source: FFIEC CRAMap 2021 Spatial Data

F.2.7 Summary of Fair Housing Issues

Access to opportunity in Piedmont is approximately evenly distributed across the city as evidenced by each TCAC score which is relatively consistent in both census tracts. However, the city meets the criteria to be

considered a RCAA and several datasets suggest that non-white residents generally experience different economic conditions than white residents.

Latinos experience higher rates of poverty relative to their overall proportion of the city's population than white residents. Latinos comprise about 4.2 percent of the city's population but 7.0 percent of Latinos live below the poverty level, an estimated 33 residents. More Non-white residents are located in the westernmost census block group of the city. The census tract that overlaps this block group also contains the highest amount of LMI population at about 11 percent and exhibits the highest amount of overpayment by renters in Piedmont. Further, this western census tract contains the highest level of persons with a disability at about eight percent.

Another citywide fair housing issue is high rates of overpayment by homeowners. Also, the city experiences high to very high Location Affordability Index rates.

The primary fair housing issue in Piedmont is disproportionate housing needs, meaning certain groups experience housing challenges (like cost-burden and overpayment) at a greater rate than other groups, because it affects the most residents and protected classes. The contributing factor to this primary issue is land use and zoning laws limiting where multifamily housing can be built. This contributing factor is evident due to the high levels of overpayment by homeowners and renters within both higher and lower income households. These indicators suggest that both higher and lower income households, encompassing various household sizes and characteristics, may choose more affordable housing if available.

The second fair housing issue is also disproportionate housing needs because of the contributing factor of a lack available affordable units in a range of sizes. A combination of very high Location Affordability Index rates and high levels of overpayment indicate the need for more affordable housing. High levels of overpayment by renters in the western census tract and high rates of overpayment by homeowners on both tracts in the city indicates that many residents may be struggling to afford housing costs.

The third fair housing issue is segregation and integration due to the contributing factor of limited options for affordable housing within Piedmont where both census tracts meet the criteria of a RCAA. The fourth fair housing issue is also segregation and integration because of a history of community opposition to building more housing in Piedmont. Evidence of past opposition is demonstrated by the Charter requirement preventing any zone reclassification without voter approval, the continued quantity of city land resources restricted to single-family zoning.

Section F.3 Sites Inventory

AB 686 requires a jurisdiction's site inventory to be consistent with its duty to affirmatively further fair housing. This section evaluates the City's site inventory locations against various measures in the Assessment of Fair Housing that includes income level, racially and ethnically concentrated areas of poverty, access to opportunity, and environmental risk to determine any socio-economic patterns or implications.

F.3.1 Potential Effects on Patterns of Segregation

A comparison of a jurisdiction's site inventory against its LMI households and R/ECAP area can reveal if the city's accommodation of housing is exacerbating or ameliorating segregation and social inequity. Figure F-24

shows the locations of Piedmont's sites inventory relative to LMI concentrations, and Figure F-25 shows the distribution of site area relative to the area of LMI concentrations.

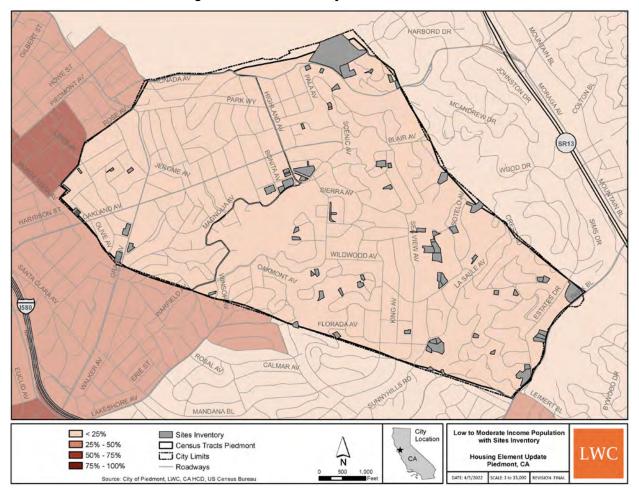


Figure F-24: Sites Inventory and LMI Households

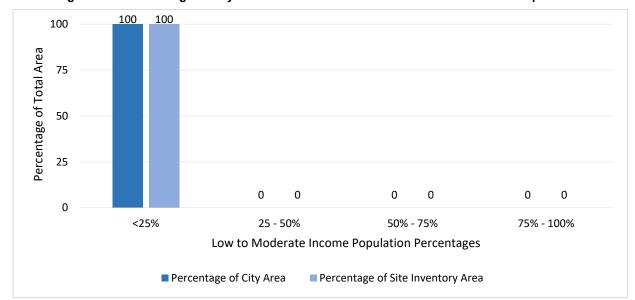


Figure F-25: Percentage of City and Sites Areas across Low to Moderate Income Populations

Source: HCD AFFH Spatial Data and LWC

The city contains one LMI percentage category, less than 25 percent LMI households. Very minor amounts of city area along the boundary are in the second and third LMI quartiles and these areas may result from misalignments in the spatial data, but they comprise only about 0.29 percent of city area. If a site was located in more than one quartile it was placed into the category containing the majority of its area, which was the first quartile in each case. One site on Oakland Avenue is fully located in the second LMI quartile but this site only accounts for about 0.2 percent of city area (about 0.08 acres). Since areas are rounded to the nearest whole percentage, the amount of city and site area within the first LMI quartile is 100 percent. The site inventory is not anticipated to exacerbate fair housing issues with regard to LMI households.

Figures F-26 and F-27 display the site inventory area associated with R/ECAP. As previously noted, Piedmont does not have any R/ECAPs within its boundaries. The amounts of city and site inventory areas that are not within a R/ECAP is therefore 100 percent.

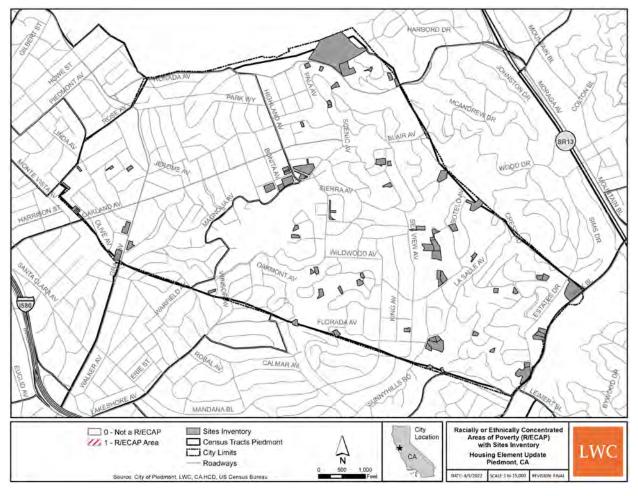


Figure F-26: Sites Inventory and R/ECAPs (2009 - 2013)

Source: HCD AFFH Spatial Data and LWC

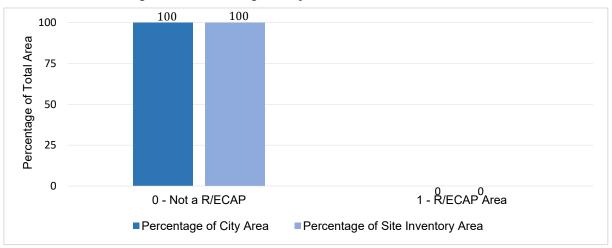


Figure F-27: Percentage of City and Sites Areas across R/ECAP

F.3.2 Potential Effects on Access to Opportunity

Figure F-28 shows sites inventory locations across the city's TCAC Opportunity Areas. The city is categorized mostly as highest resource area based on the TCAC Composite Score. These areas have been scored based on very good access to high quality schools and economic opportunities. A total of 99 percent of city and site areas are within the highest resource TCAC Composite score. The site inventory is therefore not anticipated to exacerbate fair housing trends regarding access to opportunities.

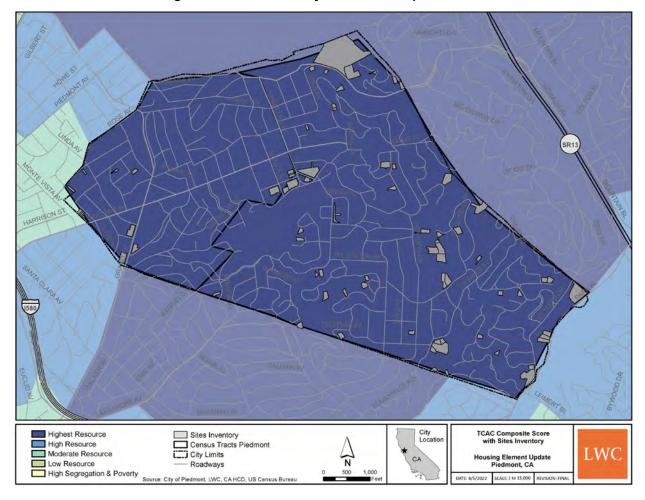


Figure F-28: Sites Inventory and TCAC Composite Score

Figure F-29 shows the distribution of Piedmont sites across the TCAC Opportunity Area Composite Score categories. The city is comprised primarily of one category, highest resource (99 percent of the city). A minor amount of city and site areas (one percent) are in high and moderate resource areas, respectively. As mentioned previously however, these areas may result from misalignments in the spatial data and do not significantly affect the analysis. If a site was located on the boundary between two scores it was placed into the category containing the majority of its area.



Figure F-29: Percentage of City and Sites Areas across TCAC Opportunity Areas

Figure F-30 shows the sites inventory across the city's CalEnviroScreen scores. The city has two CalEnviroScreen scores in the ranges 1 to 10 percent, first decile with lowest risk, and 11 to 20 percent, second decile with low risk. Most sites are located in the larger, lowest risk area.

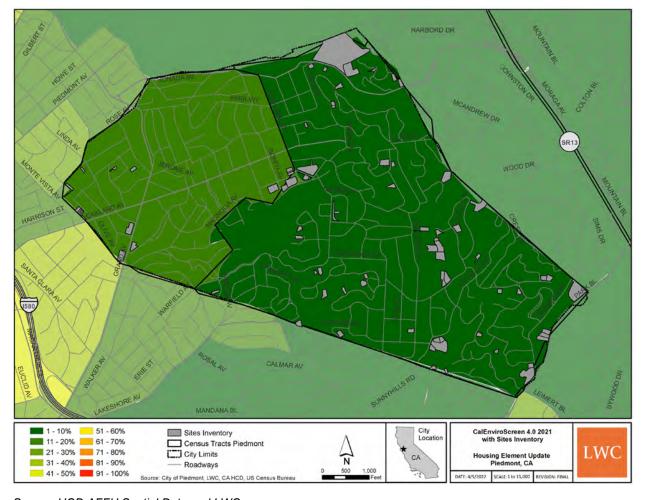


Figure F-30: Sites Inventory and CalEnviroScreen Score

Source: HCD AFFH Spatial Data and LWC

Figure F-31 shows the distribution of sites across the range of CalEnviroScreen scores presented as deciles in Piedmont. The lowest CalEnviroScreen score encompasses 69 percent of city area and 88 percent of the sites inventory area. The next CalEnviroScreen score of the second decile covers 31 percent of city area and 12 percent of sites area. Thus, the site inventory is not anticipated to exacerbate fair housing issues regarding exposure to environmental hazards.



Figure F-31: Percentage of City and Sites Areas across CalEnviroScreen Scores

Source: HCD AFFH Spatial Data and LWC

Section F.4 Contributing Factors and Meaningful Actions

Table F-9 lists the most prevalent fair housing issues and its corresponding contributing factors for the City of Piedmont, as prioritized through the findings from the above assessment.

Fair Housing Issue	Contributing Factor	Priority
Disproportionate Housing Needs	Land use and zoning laws	1
Disproportionate Housing Needs	Availability of affordable units in a range of sizes	2
Segregation and Integration	Location and type of affordable housing	3
Segregation and Integration	Community opposition	4

Table F-9: Contributing Factors

Table F-10 consists of proposed housing programs the City will pursue to specifically overcome identified patterns and trends from the above assessment and proactively affirmatively further fair housing in Piedmont.

The data and analysis that follows conforms to guidance provided by the HCD through its Building Blocks program and reflects the recommended AFFH analysis as identified by ABAG in its guidance to member communities. The analysis also recognizes that the City is located in the larger context of Alameda County and the Bay Area as a whole. Piedmont itself is an isolated enclave with its own particular development history that has created meaningful disparities between itself and neighboring communities, particularly in comparison with the City of Oakland. The City does not have extraterritorial zoning powers, nor does it have the ability to regulate land use and housing outside of its boundaries. However, this AFFH analysis recognizes that there are regional elements related to fair access to housing and Piedmont is committed to addressing these regional disparities where possible.

Table F-10: Meaningful Actions

Contributing	AFFH	
Factor	Strategy	Housing Implementation Programs
Land use and zoning laws	Modify land use and zoning laws to be less restrictive	1.D Allow Religious Institution Affiliated Housing Development in Zone A 1.F Increase Allowances for Housing in Zone B 1.G Facilitating Multi-Family Development in Zone C 1.H Increase Allowances for Housing in Zone D1.I Lot Mergers to Facilitate Housing in Zone D 2.C Use of Original Materials and Construction Methods 4.G Monitoring the Effects of the City Charter 4.H. Modify Charter Regarding Zoning Amendments 4.L Allow Parking Reductions for Multi-Family, Mixed-Use, and Affordable Projects 4.M Facilitate Multi-Family and Residential Mixed-Use Projects by Right Subject to Objective Standards 4.N Allow Transitional and Supportive Housing by Right in Zones that Allow Residential Uses 4.O Allow Low Barrier Navigation Centers by Right in Zones that Allow Residential Uses 4.P Residential Care Facilities 4.Q Parking Reductions for Persons with Disabilities, Seniors, and Other Housing Types
Availability of affordable units in a range of sizes	New Housing Choices and Affordability in Areas of Opportunity	4.R Permit Streamlining 1.B Market Rate Accessory Dwelling Units 1.E Require ADUs for New Single-Family Residence Construction2.A CDBG Funding 2.B Preservation of Small Homes 3.C Monitoring Affordable Accessory Dwelling Unit Missed Opportunities 3.D Monitoring Additional Accessory Dwelling Unit Development Opportunities 3.E Affordable Housing Fund 3.F Incentives for Rent-Restricted ADUs4.J Small Lot Housing Study 4.K Small Lot Affordable Housing Study 4.S Prioritize Sewer Hookups for Residential Development for Lower-Income Housing 5.A Shared Housing Publicity and Media Initiative 5.B Shared Housing Matching Services 5.H Housing for Extremely Low-Income Individuals and Households
Location and type of affordable housing	Provide Choice of Different Affordable Housing Types	1.J SB9 Facilitation Amendments 1.L Specific Plan 1.M Manufactured and Mobile Homes 2.D Condominium Conversions 3.B Increase Number of Legal Accessory Dwelling Units 3.G Inclusionary Housing
Community opposition	Provide Information Regarding	1.C Public Engagement for Accessory Dwelling Units 3.A Affordable Accessory Dwelling Unit Public Information Campaign

Table F-10: Meaningful Actions

Contributing Factor	AFFH Strategy	Housing Implementation Programs
	Affordable Housing to Educate Community	4.A Media Strategy 5.A Shared Housing Publicity and Media Initiative 5.G Faith Community Participation 7.A Public Information 7.C Housing Equity

AFFH SEGREGATION REPORT: PIEDMONT

UC Merced Urban Policy Lab and ABAG/MTC Staff

Version of Record: March 06, 15:41:03





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INTRODUCTION

The requirement to Affirmatively Further Fair Housing (AFFH) is derived from The Fair Housing Act of 1968, which prohibited discrimination concerning the sale, rental, and financing of housing based on race, color, religion, national origin, or sex-and was later amended to include familial status and disability. The 2015 U.S. Department of Housing and Urban Development (HUD) Rule to Affirmatively Further Fair Housing and California Assembly Bill 686 (2018) mandate that each jurisdiction takes meaningful action to address significant disparities in housing needs and access to opportunity. ²³ AB 686 requires that jurisdictions incorporate AFFH into their Housing Elements, which includes inclusive community participation, an assessment of fair housing, a site inventory reflective of AFFH, and the development of goals, policies, and programs to meaningfully address local fair housing issues. ABAG and UC Merced have prepared this report to assist Bay Area jurisdictions with the Assessment of Fair Housing section of the Housing Element.

Assessment of Fair Housing Components

The Assessment of Fair Housing includes five components, which are discussed in detail on pages 22-43 of HCD's AFFH Guidance Memo:

- A: Summary of fair housing enforcement and outreach capacity
- B: Integration and segregation patterns, and trends related to people with protected characteristics
- C: Racially or ethnically concentrated areas of poverty
- D: Disparities in access to opportunity
- E: Disproportionate housing needs, including displacement risk

Purpose of this Report 1.1

This report describes racial and income segregation in Bay Area jurisdictions. Local jurisdiction staff can use the information in this report to help fulfill a portion of the second component of the Assessment of Fair Housing, which requires analysis of integration and segregation patterns and trends related to people with protected characteristics and lower incomes. Jurisdictions will still need to perform a similar analysis for familial status and populations with disability.

This report provides segregation measures for both the local jurisdiction and the region using several indices. For segregation between neighborhoods within a city (intra-city segregation), this report includes isolation indices, dissimilarity indices, and Theil's-H index. The isolation index measures

³ The 2015 HUD rule was reversed in 2020 and partially reinstated in 2021.





¹ https://www.justice.gov/crt/fair-housing-act-2

² HCD AFFH Guidance Memo

segregation for a single group, while the dissimilarity index measures segregation between two groups. The Theil's H-Index can be used to measure segregation between all racial or income groups across the city at once. HCD's AFFH guidelines require local jurisdictions to include isolation indices and dissimilarity indices in the Housing Element. Theil's H index is provided in addition to these required measures. For segregation between cities within the Bay Area (inter-city segregation), this report includes dissimilarity indices at the regional level as required by HCD's AFFH guidelines. HCD's AFFH guidelines also require jurisdictions to compare conditions at the local level to the rest of the region; and this report presents the difference in the racial and income composition of a jurisdiction relative to the region as a whole to satisfy the comparison requirement.

1.2 Defining Segregation

Segregation is the separation of different demographic groups into different geographic locations or communities, meaning that groups are unevenly distributed across geographic space. This report examines two spatial forms of segregation: neighborhood level segregation *within* a local jurisdiction and city level segregation *between* jurisdictions in the Bay Area.

Neighborhood level segregation (*within* a jurisdiction, or *intra-city*): Segregation of race and income groups can occur from neighborhood to neighborhood *within* a city. For example, if a local jurisdiction has a population that is 20% Latinx, but some neighborhoods are 80% Latinx while others have nearly no Latinx residents, that jurisdiction would have segregated neighborhoods.

City level segregation (between jurisdictions in a region, or inter-city): Race and income divides also occur between jurisdictions in a region. A region could be very diverse with equal numbers of white, Asian, Black, and Latinx residents, but the region could also be highly segregated with each city comprised solely of one racial group.

There are many factors that have contributed to the generation and maintenance of segregation. Historically, racial segregation stemmed from explicit discrimination against people of color, such as restrictive covenants, redlining, and discrimination in mortgage lending. This history includes many overtly discriminatory policies made by federal, state, and local governments (Rothstein 2017). Segregation patterns are also affected by policies that appear race-neutral, such as land use decisions and the regulation of housing development.

Segregation has resulted in vastly unequal access to public goods such as quality schools, neighborhood services and amenities, parks and playgrounds, clean air and water, and public safety (Trounstine 2015). This generational lack of access for many communities, particularly people of color and lower income residents, has often resulted in poor life outcomes, including lower educational attainment, higher morbidity rates, and higher mortality rates (Chetty and Hendren 2018, Ananat 2011, Burch 2014, Cutler and Glaeser 1997, Sampson 2012, Sharkey 2013).

1.3 Segregation Patterns in the Bay Area

Across the San Francisco Bay Area, white residents and above moderate-income residents are significantly more segregated from other racial and income groups (see Appendix 2). The highest levels of racial segregation occur between the Black and white populations. The analysis completed for this report indicates that the amount of racial segregation both *within* Bay Area cities and *across* jurisdictions in the region has decreased since the year 2000. This finding is consistent with recent research from the Othering and Belonging Institute at UC Berkeley, which concluded that "[a]lthough 7





of the 9 Bay Area counties were more segregated in 2020 than they were in either 1980 or 1990, racial residential segregation in the region appears to have peaked around the year 2000 and has generally **declined since."** However, compared to cities in other parts of California, Bay Area jurisdictions have more neighborhood level segregation between residents from different racial groups. Additionally, there is also more racial segregation between Bay Area cities compared to other regions in the state.

1.4 Segregation and Land Use

It is difficult to address segregation patterns without an analysis of both historical and existing land use policies that impact segregation patterns. Land use regulations influence what kind of housing is built in a city or neighborhood (Lens and Monkkonen 2016, Pendall 2000). These land use regulations in turn impact demographics: they can be used to affect the number of houses in a community, the number of people who live in the community, the wealth of the people who live in the community, and where within the community they reside (Trounstine 2018). Given disparities in wealth by race and ethnicity, the ability to afford housing in different neighborhoods, as influenced by land use regulations, is highly differentiated across racial and ethnic groups (Bayer, McMillan, and Reuben 2004). ABAG/MTC plans to issue a separate report detailing the existing land use policies that influence segregation patterns in the Bay Area.

⁵ Using a household-weighted median of Bay Area county median household incomes, regional values were \$61,050 for Black residents, \$122,174 for Asian/Pacific Islander residents, \$121,794 for white residents, and \$76,306 for Latinx residents. For the source data, see U.S. Census Bureau, American Community Survey 5-Year Data (2015-2019), Table B19013B, Table B19013D, B19013H, and B19013I.







⁴ For more information, see https://belonging.berkeley.edu/most-segregated-cities-bay-area-2020.

Definition of Terms - Geographies

Neighborhood: In this report, "neighborhoods" are approximated by tracts. Fracts are statistical geographic units defined by the U.S. Census Bureau for the purposes of disseminating data. In the Bay Area, tracts contain on average 4,500 residents. Nearly all Bay Area jurisdictions contain at least two census tracts, with larger jurisdictions containing dozens of tracts.

Jurisdiction: Jurisdiction is used to refer to the 109 cities, towns, and unincorporated county areas that are members of ABAG. Though not all ABAG jurisdictions are cities, this report also uses the term "city" interchangeably with "jurisdiction" in some places.

Region: The region is the nine-county San Francisco Bay Area, which is comprised of Alameda County, Contra Costa County, Marin County, Napa County, San Francisco County, San Mateo County, Santa Clara County, Solano County, and Sonoma County.

⁶ Throughout this report, neighborhood level segregation measures are calculated using census tract data. However, the racial dot maps in Figure 1 and Figure 5 use data from census blocks, while the income group dot maps in Figure 8 and Figure 12 use data from census block groups. These maps use data derived from a smaller geographic scale to better show spatial differences in where different groups live. Census block groups are subdivisions of census tracts, and census blocks are subdivisions of block groups. In the Bay Area, block groups contain on average 1,500 people, while census blocks contain on average 95 people.





2 RACIAL SEGREGATION IN CITY OF PIEDMONT

Definition of Terms - Racial/Ethnic Groups

The U.S. Census Bureau classifies racial groups (e.g. white or Black/African American) separately from Hispanic/Latino ethnicity. This report combines U.S. Census Bureau definitions for race and ethnicity into the following racial groups:

White: Non-Hispanic white

Latinx: Hispanic or Latino of any race8

Black: Non-Hispanic Black/African American

Asian/Pacific Islander: Non-Hispanic Asian or Non-Hispanic Pacific Islander

People of Color: All who are not non-Hispanic white (including people who identify as "some other race" or "two or more races")⁹

2.1 Neighborhood Level Racial Segregation (within City of Piedmont)

Racial dot maps are useful for visualizing how multiple racial groups are distributed within a specific geography. The racial dot map of Piedmont in Figure 1 below offers a visual representation of the spatial distribution of racial groups within the jurisdiction. Generally, when the distribution of dots does not suggest patterns or clustering, segregation measures tend to be lower. Conversely, when clusters of certain groups are apparent on a racial dot map, segregation measures may be higher.

⁹ Given the uncertainty in the data for population size estimates for racial and ethnic groups not included in the Latinx, Black, or Asian/Pacific Islander categories, this report only analyzes these racial groups in the aggregate People of Color category.







⁷ More information about the Census Bureau's definitions of racial groups is available here: https://www.census.gov/topics/population/race/about.html.

⁸ The term Hispanic has historically been used to describe people from numerous Central American, South American, and Caribbean countries. In recent years, the term Latino or Latinx has become preferred. This report generally uses Latinx to refer to this racial/ethnic group.

⁹ Given the uncertainty in the data for population size estimates for racial and ethnic groups not included in the

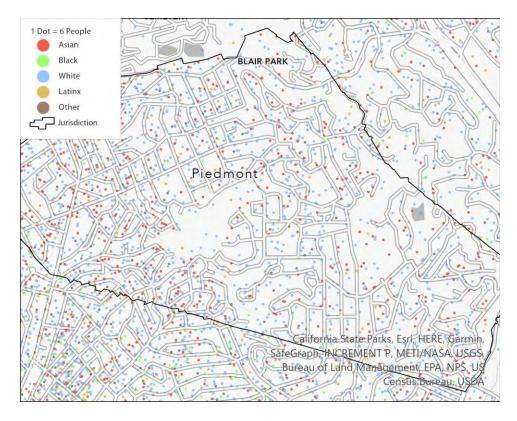


Figure 1: Racial Dot Map of Piedmont (2020)

Universe: Population. Source: U.S. Census Bureau, 2020 Census State Redistricting Data (Public Law 94-171) Summary File, 2020 Census of Population and Housing, Table P002.

Note: The plot shows the racial distribution at the census block level for City of Piedmont and vicinity. Dots in each census block are randomly placed and should not be construed as actual placement of people.

There are many ways to quantitatively measure segregation. Each measure captures a different aspect of the ways in which groups are divided within a community. One way to measure segregation is by using an isolation index:

- The isolation index compares each neighborhood's composition to the jurisdiction's demographics as a whole.
- This index ranges from 0 to 1. Higher values indicate that a particular group is more isolated from other groups.
- Isolation indices indicate the potential for contact between different groups. The index can be interpreted as the experience of the average member of that group. For example, if the isolation index is .65 for Latinx residents in a city, then the average Latinx resident in that city lives in a neighborhood that is 65% Latinx.

Within City of Piedmont the most isolated racial group is white residents. Piedmont's isolation index of 0.627 for white residents means that the average white resident lives in a neighborhood that is 62.7% white. Other racial groups are less isolated, meaning they may be more likely to encounter other racial groups in their neighborhoods. The isolation index values for all racial groups in Piedmont for the years 2000, 2010, and 2020 can be found in Table 1 below. Among all racial groups in this jurisdiction, the white population's isolation index has changed the most over time, becoming less segregated from other racial groups between 2000 and 2020.





The "Bay Area Average" column in this table provides the average isolation index value across Bay Area jurisdictions for different racial groups in 2020. ¹⁰ The data in this column can be used as a comparison to provide context for the levels of segregation experienced by racial groups in this jurisdiction. For example, Table 1 indicates the average isolation index value for white residents across all Bay Area jurisdictions is 0.491, meaning that in the average Bay Area jurisdiction a white resident lives in a neighborhood that is 49.1% white.

Table 1: Racial Isolation Index Values for Segregation within Piedmont

	Piedm	ont	Bay Area Average	
Race	2000	2010	2020	2020
Asian/Pacific Islander	0.159	0.181	0.200	0.245
Black/African American	0.013	0.013	0.011	0.053
Latinx	0.030	0.041	0.066	0.251
White	0.768	0.716	0.627	0.491

Universe: Population.

Source: IPUMS National Historical Geographic Information System (NHGIS). U.S. Census Bureau, 2020 Census State Redistricting Data (Public Law 94-171) Summary File, 2020 Census of Population and Housing, Table P002. Data from 2010 is from U.S. Census Bureau, Census 2010, Table P4. Data for 2000 is standardized to 2010 census tract geographies and is from U.S. Census Bureau, Census 2000, Table P004.

Figure 2 below shows how racial isolation index values in Piedmont compare to values in other Bay Area jurisdictions. In this chart, each dot represents a Bay Area jurisdiction. For each racial group, the spread of dots represents the range of isolation index values among Bay Area jurisdictions. Additionally, the black line within each racial group notes the isolation index value for that group in City of Piedmont, and each dashed red line represents the Bay Area average for the isolation index for that group. Local staff can use this chart to contextualize how segregation levels for racial groups in their jurisdiction compare to other jurisdictions in the region.

¹⁰ This average only includes the 104 jurisdictions that have more than one census tract, which is true for all comparisons of Bay Area jurisdictions' segregation measures in this report. The segregation measures in this report are calculated by comparing the demographics of a jurisdiction's census tracts to the jurisdiction's demographics, and such calculations cannot be made for the five jurisdictions with only one census tract (Brisbane, Calistoga, Portola Valley, Rio Vista, and Yountville).





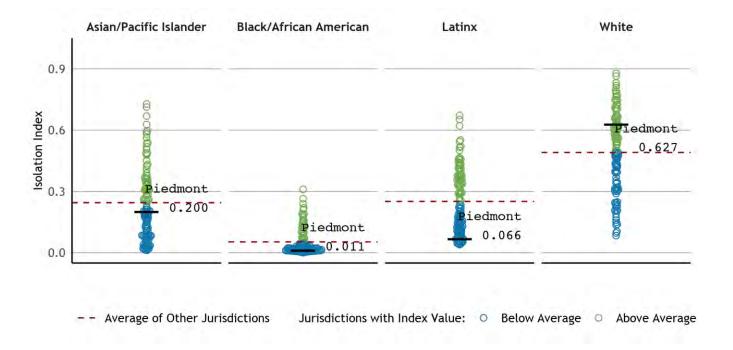


Figure 2: Racial Isolation Index Values for Piedmont Compared to Other Bay Area Jurisdictions (2020)

Universe: Bay Area Jurisdictions.
Source: IPUMS National Historical Geographic Information System (NHGIS). U.S. Census Bureau, 2020 Census State Redistricting Data (Public Law 94-171) Summary File, 2020 Census of Population and Housing, Table P002.

Another way to measure segregation is by using a dissimilarity index:

- This index measures how evenly any two groups are distributed across neighborhoods relative to their representation in a city overall. The dissimilarity index at the jurisdiction level can be interpreted as the share of one group that would have to move neighborhoods to create perfect integration for these two groups.
- The dissimilarity index ranges from 0 to 1. Higher values indicate that groups are more unevenly distributed (e.g. they tend to live in different neighborhoods).





Dissimilarity Index Guidance for Cities with Small Racial Group Populations

The analysis conducted for this report suggests that dissimilarity index values are unreliable for a population group if that group represents approximately less than 5% of the jurisdiction's total population.

HCD's AFFH guidance requires the Housing Element to include the dissimilarity index values for racial groups, but also offers flexibility in emphasizing the importance of various measures. ABAG/MTC recommends that when cities have population groups that are less than 5% of the jurisdiction's population (see Table 4), jurisdiction staff use the isolation index or Thiel's H-Index to gain a more accurate understanding of their jurisdiction's neighborhood-level segregation patterns (intra-city segregation).

If a jurisdiction has a very small population of a racial group, this indicates that segregation between the jurisdiction and the region (*inter-city* segregation) is likely to be an important feature of the jurisdiction's segregation patterns.

In City of Piedmont, the Black/African American group is 1.1 percent of the population - so staff should be aware of this small population size when evaluating dissimilarity index values involving this group.

Table 2 below provides the dissimilarity index values indicating the level of segregation in Piedmont between white residents and residents who are Black, Latinx, or Asian/Pacific Islander. The table also provides the dissimilarity index between white residents and all residents of color in the jurisdiction, and all dissimilarity index values are shown across three time periods (2000, 2010, and 2020).

In Piedmont the highest segregation is between Latinx and white residents (see Table 2). **Piedmont's** Latinx /white dissimilarity index of 0.091 means that 9.1% of Latinx (or white) residents would need to move to a different neighborhood to create perfect integration between Latinx residents and white residents.

The "Bay Area Average" column in this table provides the average dissimilarity index values for these racial group pairings across Bay Area jurisdictions in 2020. The data in this column can be used as a comparison to provide context for the levels of segregation between communities of color are from white residents in this jurisdiction.





For example, Table 2 indicates that the average Latinx/white dissimilarity index for a Bay Area jurisdiction is 0.207, so on average 20.7% of Latinx (or white residents) in a Bay Area jurisdiction would need to move to a different neighborhood within the jurisdiction to create perfect integration between Latinx and white residents in that jurisdiction.

Table 2: Racial Dissimilarity Index Values for Segregation within Piedmont

	Piedmo	Bay Area Average		
Race	2000	2010	2020	2020
Asian/Pacific Islander vs. White	0.030	0.012	0.009	0.185
Black/African American vs. White	0.082*	0.028*	0.006*	0.244
Latinx vs. White	0.069*	0.106*	0.091	0.207
People of Color vs. White	0.034	0.034	0.033	0.168

Universe: Population.

Source: IPUMS National Historical Geographic Information System (NHGIS). U.S. Census Bureau, 2020 Census State Redistricting Data (Public Law 94-171) Summary File, 2020 Census of Population and Housing, Table P002. Data from 2010 is from U.S. Census Bureau, Census 2010, Table P4. Data for 2000 is standardized to 2010 census tract geographies and is from U.S. Census Bureau, Census 2000, Table P004.

Note: If a number is marked with an asterisk (*), it indicates that the index is based on a racial group making up less than 5 percent of the jurisdiction population, leading to unreliable numbers.

Figure 3 below shows how dissimilarity index values in City of Piedmont compare to values in other Bay Area jurisdictions. In this chart, each dot represents a Bay Area jurisdiction. For each racial group pairing, the spread of dots represents the range of dissimilarity index values among Bay Area jurisdictions. Additionally, the black line within each racial group pairing notes the dissimilarity index value in Piedmont, and each dashed red line represents the Bay Area average for the dissimilarity index for that pairing. Similar to Figure 2, local staff can use this chart to contextualize how segregation levels between white residents and communities of color in their jurisdiction compare to the rest of the region. However, staff should be mindful of whether a racial group in their jurisdiction has a small population (approximately less than 5% of the jurisdiction's population), as the dissimilarity index value is less reliable for small populations.





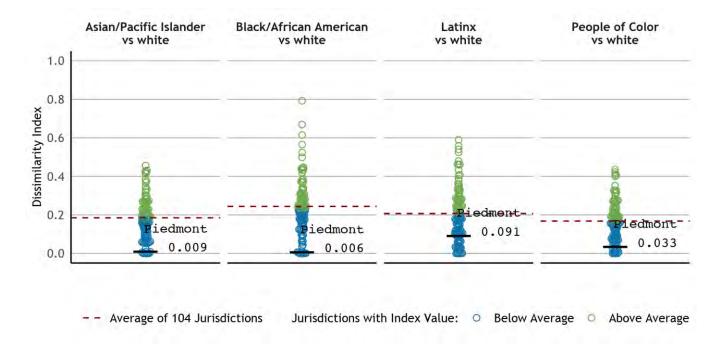


Figure 3: Racial Dissimilarity Index Values for Piedmont Compared to Other Bay Area Jurisdictions (2020)

Universe: Bay Area Jurisdictions.

Source: IPUMS National Historical Geographic Information System (NHGIS). U.S. Census Bureau, 2020 Census State Redistricting Data (Public Law 94-171) Summary File, 2020 Census of Population and Housing, Table P002.

Note: The analysis conducted for this report suggests that dissimilarity index values are unreliable for a population group if that group represents approximately less than 5% of the jurisdiction's total population. ABAG/MTC recommends that when cities have population groups that are less than 5% of the jurisdiction's population (see Table 4), jurisdiction staff could focus on the isolation index or Thiel's H-Index to gain a more accurate understanding of neighborhood-level racial segregation in their jurisdiction.

The **Theil's H Index** can be used to measure segregation between all groups within a jurisdiction:

- This index measures how diverse each neighborhood is compared to the diversity of the whole city. Neighborhoods are weighted by their size, so that larger neighborhoods play a more significant role in determining the total measure of segregation.
- The index ranges from 0 to 1. A Theil's H Index value of 0 would mean all neighborhoods within a city have the same demographics as the whole city. A value of 1 would mean each group lives exclusively in their own, separate neighborhood.
- For jurisdictions with a high degree of diversity (multiple racial groups comprise more than 10% of the population), Theil's H offers the clearest summary of overall segregation.

The Theil's H Index values for neighborhood racial segregation in Piedmont for the years 2000, 2010, and 2020 can be found in Table 3 below. The "Bay Area Average" column in the table provides the average Theil's H Index across Bay Area jurisdictions in 2020. Between 2010 and 2020, the Theil's H Index for racial segregation in Piedmont stayed the same, suggesting that there is now about the same amount of neighborhood level racial segregation within the jurisdiction. In 2020, the Theil's H Index for





racial segregation in Piedmont was lower than the average value for Bay Area jurisdictions, indicating that neighborhood level racial segregation in Piedmont is less than in the average Bay Area city.

Table 3: Theil's H Index Values for Racial Segregation within Piedmont

	Piedm	ont	Bay Area Average	
Index	2000	2010	2020	2020
Theil's H Multi-racial	0.001	0.001	0.001	0.042

Universe: Population.

Source: IPUMS National Historical Geographic Information System (NHGIS). U.S. Census Bureau, 2020 Census State Redistricting Data (Public Law 94-171) Summary File, 2020 Census of Population and Housing, Table P002. Data from 2010 is from U.S. Census Bureau, Census 2010, Table P4. Data for 2000 is standardized to 2010 census tract geographies and is from U.S. Census Bureau, Census 2000, Table P004.

Figure 4 below shows how Theil's H index values for racial segregation in Piedmont compare to values in other Bay Area jurisdictions in 2020. In this chart, each dot represents a Bay Area jurisdiction. Additionally, the black line notes the Theil's H index value for neighborhood racial segregation in Piedmont, and the dashed red line represents the average Theil's H index value across Bay Area jurisdictions. Local staff can use this chart to compare how neighborhood racial segregation levels in their jurisdiction compare to other jurisdictions in the region.

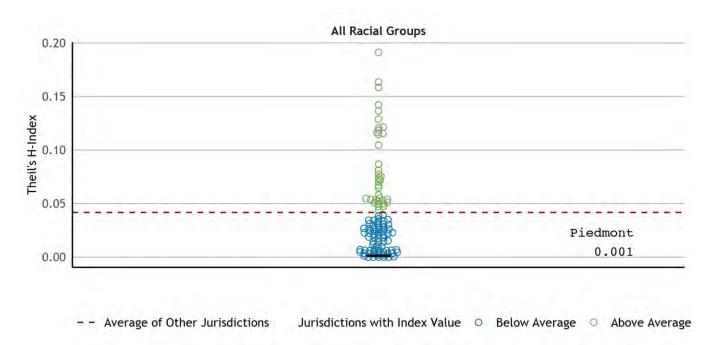


Figure 4: Theil's H Index Values for Racial Segregation in Piedmont Compared to Other Bay Area Jurisdictions (2020)

Universe: Bay Area Jurisdictions.

Source: IPUMS National Historical Geographic Information System (NHGIS). U.S. Census Bureau, 2020 Census State Redistricting Data (Public Law 94-171) Summary File, 2020 Census of Population and Housing, Table P002.





2.2 Regional Racial Segregation (between Piedmont and other jurisdictions)

At the regional level, segregation is measured between *cities* instead of between *neighborhoods*. Racial dot maps are not only useful for examining neighborhood racial segregation within a jurisdiction, but these maps can also be used to explore the racial demographic differences between different jurisdictions in the region. Figure 5 below presents a racial dot map showing the spatial distribution of racial groups in Piedmont as well as in nearby Bay Area cities.

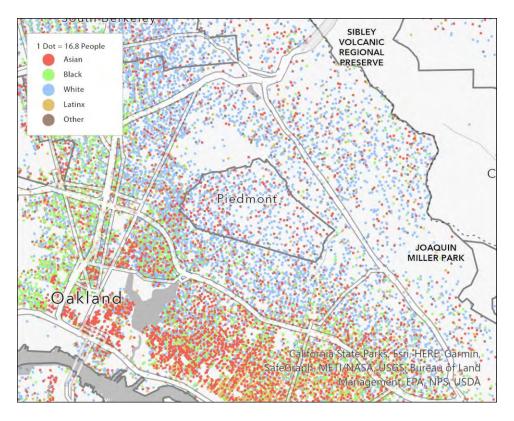


Figure 5: Racial Dot Map of Piedmont and Surrounding Areas (2020)

Universe: Population.

Source: U.S. Census Bureau, 2020 Census State Redistricting Data (Public Law 94-171) Summary File, 2020 Census of Population and Housing, Table P002.

Note: The plot shows the racial distribution at the census block level for City of Piedmont and vicinity. Dots in each census block are randomly placed and should not be construed as actual placement of people.

To understand how each city contributes to the total segregation of the Bay Area, one can look at the difference in the racial composition of a jurisdiction compared to the racial composition of the region as a whole. The racial demographics in Piedmont for the years 2000, 2010, and 2020 can be found in Table 4 below. The table also provides the racial composition of the nine-county Bay Area. As of 2020, Piedmont has a higher share of white residents than the Bay Area as a whole, a lower share of Latinx residents, a lower share of Black residents, and a lower share of Asian/Pacific Islander residents.





Table 4: Population by Racial Group, Piedmont and the Region

	Piedmo	Bay Area		
Race	2000	2010	2020	2020
Asian/Pacific Islander	15.8%	18.1%	20.0%	28.2%
Black/African American	1.2%	1.3%	1.1%	5.6%
Latinx	3.0%	3.9%	6.5%	24.4%
Other or Multiple Races	3.3%	5.1%	9.8%	5.9%
White	76.8%	71.5%	62.7%	35.8%

Universe: Population.

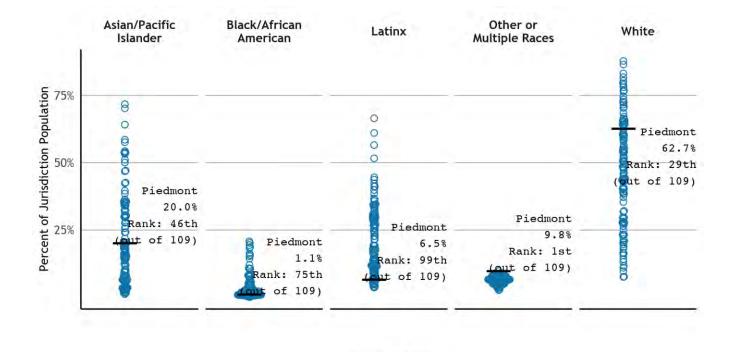
Source: IPUMS National Historical Geographic Information System (NHGIS). U.S. Census Bureau, 2020 Census State Redistricting Data (Public Law 94-171) Summary File, 2020 Census of Population and Housing, Table P002. Data from 2010 is from U.S. Census Bureau, Census 2010, Table P4. Data for 2000 is standardized to 2010 census tract geographies and is from U.S. Census Bureau, Census 2000, Table P004.

Figure 6 below compares the racial demographics in Piedmont to those of all 109 Bay Area jurisdictions. ¹¹ In this chart, each dot represents a Bay Area jurisdiction. For each racial group, the **spread of dots represents the range of that group's representation among Bay Ar**ea jurisdictions. Additionally, the black line within each racial group notes the percentage of the population of City of Piedmont represented by that group and how that percentage ranks among all 109 jurisdictions. Local staff can use this chart to compare the representation of different racial groups in their jurisdiction to **those groups' representation in other jurisdictions in the region, which can indicate the extent of** segregation between this jurisdiction and the region.

¹¹ While comparisons of segregation measures are made only using the 104 jurisdictions with more than one census tract, this comparison of jurisdiction level demographic data can be made using all 109 jurisdictions.







Jurisdiction

Figure 6: Racial Demographics of Piedmont Compared to All Bay Area Jurisdictions (2020)

Universe: Bay Area Jurisdictions.
Source U.S. Census Bureau, 2020 Census State Redistricting Data (Public Law 94-171) Summary File, 2020 Census of Population and Housing, Table P002.

The map in Figure 7 below also illustrates regional racial segregation between Piedmont and other jurisdictions. This map demonstrates how the percentage of people of color in Piedmont and surrounding jurisdictions compares to the Bay Area as a whole:

- Jurisdictions shaded orange have a share of people of color that is less than the Bay Area as a whole, and the degree of difference is greater than five percentage points.
- Jurisdictions shaded white have a share of people of color comparable to the regional percentage of people of color (within five percentage points).
- Jurisdictions shaded grey have a share of people of color that is more than five percentage points greater than the regional percentage of people of color.





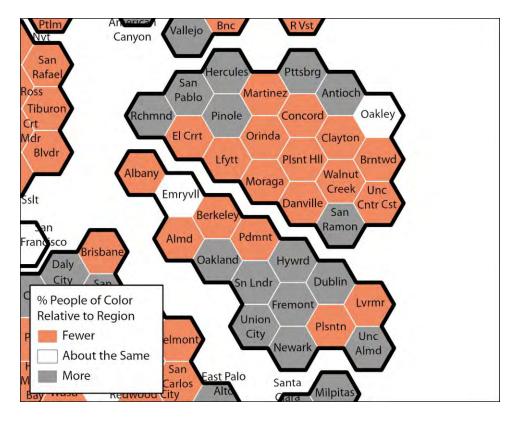


Figure 7: Comparing the Share of People of Color in Piedmont and Vicinity to the Bay Area (2020)

Universe: Population.

Source: U.S. Census Bureau, 2020 Census State Redistricting Data (Public Law 94-171) Summary File, 2020 Census of Population and Housing, Table P002.

Note: People of color refer to persons not identifying as non-Hispanic white. The nine-county Bay Area is the reference region for this map.

Segregation between jurisdictions in the region can also be analyzed by calculating regional values for the segregation indices discussed previously. Table 5 presents dissimilarity index, isolation index, and Theil's H index values for racial segregation for the entire nine-county Bay Area in 2010 and 2020. In the previous section of this report focused on neighborhood level racial segregation, these indices were calculated by comparing the racial demographics of the census tracts within a jurisdiction to the demographics of the jurisdiction as a whole. In Table 5, these measures are calculated by comparing the racial demographics of local jurisdictions to the region's racial makeup. For example, looking at the 2020 data, Table 5 shows the white isolation index value for the region is 0.429, meaning that on average white Bay Area residents live in a jurisdiction that is 42.9% white in 2020. An example of regional dissimilarity index values in Table 5 is the Black/white dissimilarity index value of 0.459, which means that across the region 45.9% of Black (or white) residents would need to move to a different jurisdiction to evenly distribute Black and white residents across Bay Area jurisdictions. The dissimilarity index values in Table 5 reflect recommendations made in HCD's AFFH guidance for calculating dissimilarity at the region level. ¹² The regional value for the Theil's H index measures how

¹² For more information on HCD's recommendations regarding data considerations for analyzing integration and segregation patterns, see page 31 of the AFFH Guidance Memo.





diverse each Bay Area jurisdiction is compared to the racial diversity of the whole region. A Theil's H Index value of 0 would mean all *jurisdictions* within the Bay Area have the same racial demographics as the entire region, while a value of 1 would mean each racial group lives exclusively in their own separate jurisdiction. The regional Theil's H index value for racial segregation decreased slightly between 2010 and 2020, meaning that racial groups in the Bay Area are now slightly less separated by the borders between jurisdictions.

Table 5: Regional Racial Segregation Measures

Index	Group	2010	2020
	Asian/Pacific Islander	0.317	0.378
	Black/African American	0.144	0.118
Isolation Index Regional Level	Latinx	0.283	0.291
Isolation Index Regional Level Dissimilarity Index Regional Level	White	0.496	0.429
	People of Color	0.629	0.682
	Asian/Pacific Islander vs. White	0.384	0.369
Dissimilarity Index Degional Level	Black/African American vs. White	0.475	0.459
Dissimilarity index Regional Level	Latinx vs. White	0.301	0.297
	People of Color vs. White	0.296	0.293
Theil's H Multi-racial	All Racial Groups	0.103	0.097

Universe: Population.

Source: IPUMS National Historical Geographic Information System (NHGIS). U.S. Census Bureau, 2020 Census State Redistricting Data (Public Law 94-171) Summary File, 2020 Census of Population and Housing, Table P002. Data from 2010 is from U.S. Census Bureau, 2010 Census of Population and Housing, Table P4.





Definition of Terms - Income Groups

When analyzing segregation by income, this report uses income group designations consistent with the Regional Housing Needs Allocation and the Housing Element:

Very low-income: individuals earning less than 50% of Area Median Income (AMI)

Low-income: individuals earning 50%-80% of AMI

Moderate-income: individuals earning 80%-120% of AMI

Above moderate-income: individuals earning 120% or more of AMI

Additionally, this report uses the term "lower-income" to refer to all people who earn less than 80% of AMI, which includes both low-income and very low-income individuals.

The income groups described above are based on U.S. Department of Housing and Urban Development (HUD) calculations for AMI. HUD calculates the AMI for different metropolitan areas, and the nine county Bay Area includes the following metropolitan areas: Napa Metro Area (Napa County), Oakland-Fremont Metro Area (Alameda and Contra Costa Counties), San Francisco Metro Area (Marin, San Francisco, and San Mateo Counties), San Jose-Sunnyvale-Santa Clara Metro Area (Santa Clara County), Santa Rosa Metro Area (Sonoma County), and Vallejo-Fairfield Metro Area (Solano County).

The income categories used in this report are based on the AMI for the HUD metro area where this jurisdiction is located.

3.1 Neighborhood Level Income Segregation (within Piedmont)

Income segregation can be measured using similar indices as racial segregation. Income dot maps, similar to the racial dot maps shown in Figures 1 and 5, are useful for visualizing segregation between multiple income groups at the same time. The income dot map of Piedmont in Figure 8 below offers a visual representation of the spatial distribution of income groups within the jurisdiction. As with the racial dot maps, when the dots show lack of a pattern or clustering, income segregation measures tend to be lower, and conversely, when clusters are apparent, the segregation measures may be higher as well.





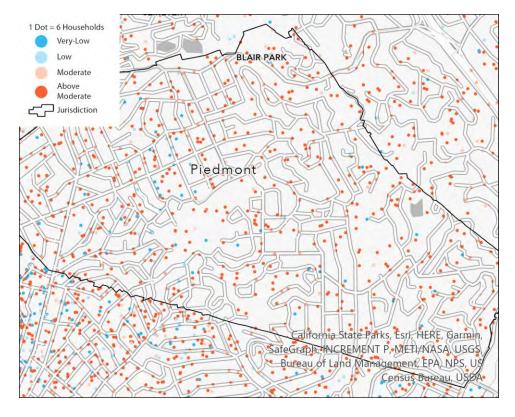


Figure 8: Income Dot Map of Piedmont (2015)

Universe: Population.

Source: U.S. Department of Housing and Urban Development, American Community Survey 5-Year 2011-2015 Low- and Moderate-Income Summary Data.

Note: The plot shows the income group distribution at the census block group level for City of Piedmont and vicinity. Dots in each block group are randomly placed and should not be construed as actual placement of individuals.

The isolation index values for all income groups in Piedmont for the years 2010 and 2015 can be found in Table 6 below. ¹³ Above Moderate-income residents are the most isolated income group in Piedmont. **Piedmont's isolation index of 0.845 for these residents means that the average Above Moderate-**income resident in Piedmont lives in a neighborhood that is 84.5% Above Moderate-income. Among all income groups, the Low-**income population's isolation** index has changed the most over time, becoming less segregated from other income groups between 2010 and 2015.

Similar to the tables presented earlier for neighborhood racial segregation, the "Bay Area Average" column in Table 6 provides the average isolation index value across Bay Area jurisdictions for different income groups in 2015. The data in this column can be used as a comparison to provide context for the levels of segregation experienced by income groups in this jurisdiction. For example, Table 6 indicates the average isolation index value for very low-income residents across Bay Area jurisdictions is 0.269,

¹³ This report presents data for income segregation for the years 2010 and 2015, which is different than the time periods used for racial segregation. This deviation stems from the <u>data source recommended for income segregation calculations</u> in HCD's AFFH Guidelines. This data source most recently updated with data from the 2011-2015 American Community Survey 5-year estimates. For more information on HCD's recommendations for calculating income segregation, see <u>page 32 of HCD's AFFH Guidelines</u>.





meaning that in the average Bay Area jurisdiction a very low-income resident lives in a neighborhood that is 26.9% very low-income.

Table 6: Income Group Isolation Index Values for Segregation within Piedmont

	Piedmont		Bay Area Average
Income Group	2010	2015	2015
Very Low-Income (<50% AMI)	0.051	0.078	0.269
Low-Income (50%-80% AMI)	0.046	0.012	0.145
Moderate-Income (80%-120% AMI)	0.074	0.082	0.183
Above Moderate-Income (>120% AMI)	0.846	0.845	0.507

Universe: Population.

Source: Data for 2015 is from U.S. Department of Housing and Urban Development, American Community Survey 5-Year 2011-2015 Low- and Moderate-Income Summary Data. Data for 2010 is from U.S. Department of Housing and Urban Development, American Community Survey 5-Year 2006-2010 Low- and Moderate-Income Summary Data.

Figure 9 below shows how income group isolation index values in Piedmont compare to values in other Bay Area jurisdictions. In this chart, each dot represents a Bay Area jurisdiction. For each income group, the spread of dots represents the range of isolation index values among Bay Area jurisdictions. Additionally, the black line within each income group notes the isolation index value for that group in Piedmont, and each dashed red line represents the Bay Area average for the isolation index for that group. Local staff can use this chart to contextualize how segregation levels for income groups in their jurisdiction compare to the rest of the region.



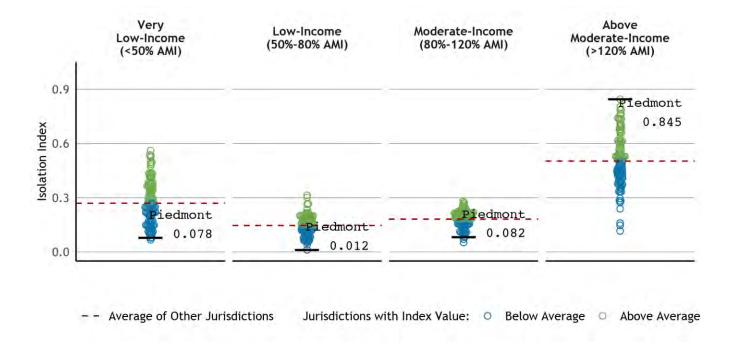


Figure 9: Income Group Isolation Index Values for Piedmont Compared to Other Bay Area Jurisdictions (2015)

Universe: Bay Area Jurisdictions.

Source: U.S. Department of Housing and Urban Development, American Community Survey 5-Year 2011-2015 Low- and Moderate-Income Summary Data.

Table 7 below provides the dissimilarity index values indicating the level of segregation in Piedmont between residents who are lower-income (earning less than 80% of AMI) and those who are not lower-income (earning above 80% of AMI). This data aligns with the requirements described in HCD's AFFH Guidance Memo for identifying dissimilarity for lower-income households. ¹⁴ Segregation in Piedmont between lower-income residents and residents who are not lower-income decreased between 2010 and 2015. Additionally, Table 7 shows dissimilarity index values for the level of segregation in Albany between residents who are very low-income (earning less than 50% of AMI) and those who are above moderate-income (earning above 120% of AMI). This supplementary data point provides additional nuance to an analysis of income segregation, as this index value indicates the extent to which a jurisdiction's lowest and highest income residents live in separate neighborhoods.

Similar to other tables in this report, the "Bay Area Average" column shows the average dissimilarity index values for these income group pairings across Bay Area jurisdictions in 2015. For example, Table 7 indicates that the average dissimilarity index between lower-income residents and other residents in a Bay Area jurisdiction is 0.198, so on average 19.8% of lower-income residents in a Bay Area jurisdiction would need to move to a different neighborhood within the jurisdiction to create perfect income group integration in that jurisdiction.

¹⁴ For more information, see page 32 of HCD's AFFH Guidance Memo.





In 2015, the income segregation in Piedmont between lower-income residents and other residents was lower than the average value for Bay Area jurisdictions (See Table 7). This means that the lower-income residents are less segregated from other residents within Piedmont compared to other Jurisdictions in the region.

Table 7: Income Group Dissimilarity Index Values for Segregation within Piedmont

	Piedmont		Bay Area Average	
Income Group	2010	2015	2015	
Below 80% AMI vs. Above 80% AMI	0.054	0.026	0.198	
Below 50% AMI vs. Above 120% AMI	0.103	0.059	0.253	

Universe: Population.

Source: Data for 2015 is from U.S. Department of Housing and Urban Development, American Community Survey 5-Year 2011-2015 Low- and Moderate-Income Summary Data. Data for 2010 is from U.S. Department of Housing and Urban Development, American Community Survey 5-Year 2006-2010 Low- and Moderate-Income Summary Data.

Figure 10 below shows how dissimilarity index values for income segregation in Piedmont compare to values in other Bay Area jurisdictions. In this chart, each dot represents a Bay Area jurisdiction. For each income group pairing, the spread of dots represents the range of dissimilarity index values among Bay Area jurisdictions. Additionally, the black line within each income group pairing notes the dissimilarity index value in Piedmont, and each dashed red line represents the Bay Area average for the dissimilarity index for that pairing. Local staff can use this chart to contextualize how segregation levels between lower-income residents and wealthier residents in their jurisdiction compared to the rest of the region.





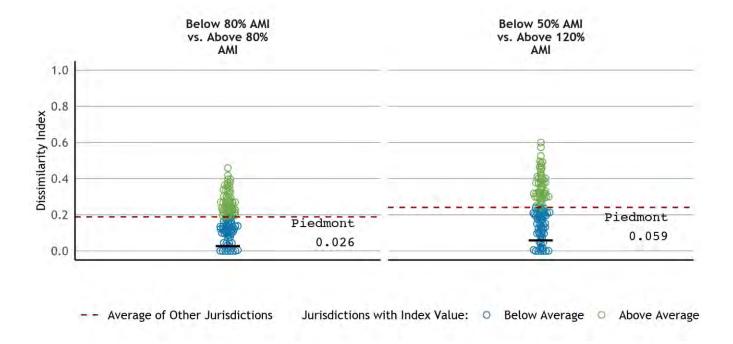


Figure 10: Income Group Dissimilarity Index Values for Piedmont Compared to Other Bay Area Jurisdictions (2015)

Universe: Bay Area Jurisdictions.

Source: U.S. Department of Housing and Urban Development, American Community Survey 5-Year 2011-2015 Low- and Moderate-Income Summary Data.

The Theil's H Index values for neighborhood income group segregation in Piedmont for the years 2010 and 2015 can be found in Table 8 below. The "Bay Area Average" column in this table provides the average Theil's H Index value across Bay Area jurisdictions for different income groups in 2015. By 2015, the Theil's H Index value for income segregation in Piedmont was about the same amount as it had been in 2010. In 2015, the Theil's H Index value for income group segregation in Piedmont was lower than the average value for Bay Area jurisdictions, indicating there is less neighborhood level income segregation in Piedmont than in the average Bay Area city.

Table 8: Theil's H Index Values for Income Segregation within Piedmont

	Piedm	ont	Bay Area Average
Index	2010	2015	2015
Theil's H Multi-income	0.013	0.014	0.043

Universe: Population.





Figure 11 below shows how Theil's H index values for income group segregation in Piedmont compare to values in other Bay Area jurisdictions in 2015. In this chart, each dot represents a Bay Area jurisdiction. Additionally, the black line notes the Theil's H index value for income group segregation in Piedmont, and the dashed red line represents the average Theil's H index value across Bay Area jurisdictions. Local staff can use this chart to compare how neighborhood income group segregation levels in their jurisdiction compare to other jurisdictions in the region.

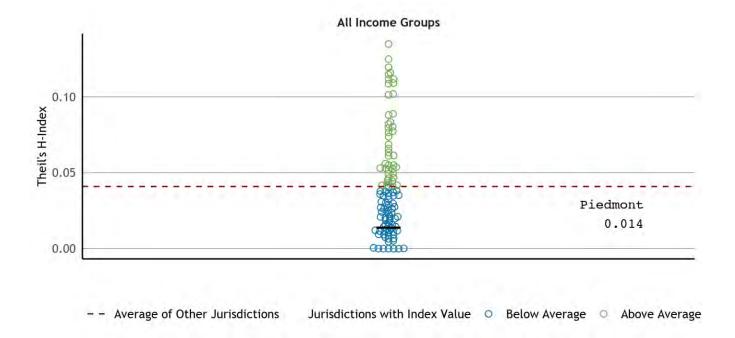


Figure 11: Income Group Theil's H Index Values for Piedmont Compared to Other Bay Area Jurisdictions (2015)

Universe: Bay Area Jurisdictions.

Source: U.S. Department of Housing and Urban Development, American Community Survey 5-Year 2011-2015 Low- and Moderate-Income Summary Data.

3.2 Regional Income Segregation (between Piedmont and other jurisdictions)

At the regional level, segregation is measured between jurisdictions instead of between neighborhoods. Income dot maps are not only useful for examining neighborhood income segregation within a jurisdiction, but these maps can also be used to explore income demographic differences between jurisdictions in the region. Figure 12 below presents an income dot map showing the spatial distribution of income groups in Piedmont as well as in nearby Bay Area jurisdictions.





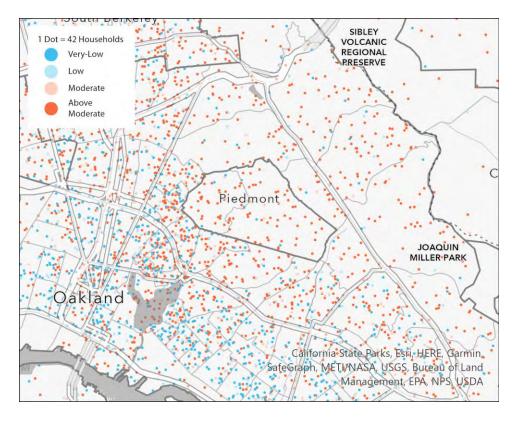


Figure 12: Income Dot Map of Piedmont and Surrounding Areas (2015)

Source: U.S. Department of Housing and Urban Development, American Community Survey 5-Year 2011-2015 Low- and Moderate-Income Summary Data.

Note: The plot shows the income group distribution at the census block group level for City of Piedmont and vicinity. Dots in each block group are randomly placed and should not be construed as actual placement of individuals.

When looking at income segregation between jurisdictions in the Bay Area, one can examine how Piedmont differs from the region. The income demographics in Piedmont for the years 2010 and 2015 can be found in Table 9 below. The table also provides the income composition of the nine-county Bay Area in 2015. As of that year, Piedmont had a lower share of very low-income residents than the Bay Area as a whole, a lower share of low-income residents, a lower share of moderate-income residents, and a higher share of above moderate-income residents.

Table 9: Population by Income Group, Piedmont and the Region

	Piedmont		Bay Area
Income Group	2010	2015	2015
Very Low-Income (<50% AMI)	4.94%	7.75%	28.7%
Low-Income (50%-80% AMI)	4.61%	1.04%	14.3%
Moderate-Income (80%-120% AMI)	6.03%	6.85%	17.6%
Above Moderate-Income (>120% AMI)	84.41%	84.36%	39.4%





Source: Data for 2015 is from Housing U.S. Department of and Urban Development, American Community Survey 5-Year 2011-2015 Low- and Moderate-Income Summary Data. Data for 2010 is from U.S. Department of Housing and Urban Development, American Community Survey 5-Year 2006-2010 Low- and Moderate-Income Summary Data.

Figure 13 below compares the income demographics in Piedmont to other Bay Area jurisdictions. ¹⁵ Like the chart in Figure 3, each dot represents a Bay Area jurisdiction. For each income group, the spread of dots represents the range of that group's representation among Bay Area jurisdictions. The smallest range is among jurisdictions' moderate-income populations, while Bay Area jurisdictions vary the most in the share of their population that is above moderate-income. Additionally, the black lines within each income group note the percentage of Piedmont population represented by that group and how that percentage ranks among other jurisdictions. Local staff can use this chart to compare the representation of different income groups in their jurisdiction to those groups' representation in other jurisdictions in the region, which can indicate the extent of segregation between this jurisdiction and the region.

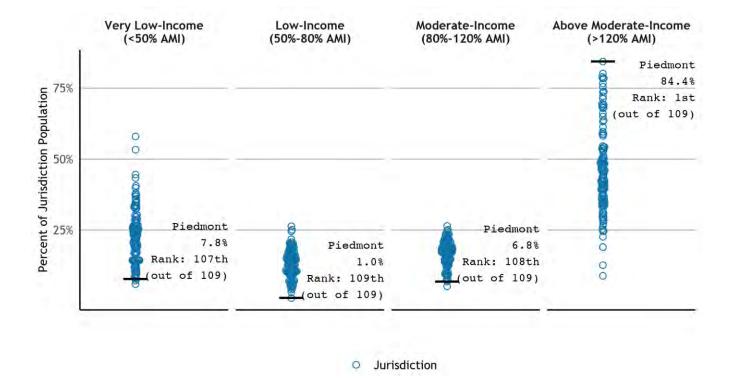


Figure 13: Income Demographics of Piedmont Compared to Other Bay Area Jurisdictions (2015)

Universe: Bay Area Jurisdictions.

Source: U.S. Department of Housing and Urban Development, American Community Survey 5-Year 2011-2015 Low- and Moderate-Income Summary Data.

¹⁵ While comparisons of segregation measures are made only using the 104 jurisdictions with more than one census tract, this comparison of jurisdiction level demographic data can be made using all 109 jurisdictions.





Income segregation between jurisdictions in the region can also be analyzed by calculating regional values for the segregation indices discussed previously. Similar to the regional racial segregation measures shown in Table 5, Table 10 presents dissimilarity index, isolation index, and Theil's H index values for income segregation for the entire nine-county Bay Area in 2010 and 2015. In the previous section of this report focused on neighborhood level income segregation, segregation indices were calculated by comparing the income demographics of the census tracts within a jurisdiction to the demographics of the jurisdiction as a whole. In Table 10, these measures are calculated by comparing the income demographics of local jurisdictions to the region's income group makeup. For example, looking at 2015 data, Table 10 shows the regional isolation index value for very low-income residents is 0.315 for 2015, meaning that on average very low-income Bay Area residents live in a jurisdiction that is 31.5% very low-income. The regional dissimilarity index for lower-income residents and other residents is 0.194 in 2015, which means that across the region 19.4% of lower-income residents would need to move to a different jurisdiction to create perfect income group integration in the Bay Area as a whole. The regional value for the Theil's H index measures how diverse each Bay Area jurisdiction is compared to the income group diversity of the whole region. A Theil's H Index value of 0 would mean all jurisdictions within the Bay Area have the same income demographics as the entire region, while a value of 1 would mean each income group lives exclusively in their own separate jurisdiction. The regional Theil's H index value for income segregation decreased slightly between 2010 and 2015, meaning that income groups in the Bay Area are now slightly less separated by the borders between jurisdictions.

Table 10: Regional Income Segregation Measures

Index	Group	2010	2015
	Very Low-Income (<50% AMI)		0.315
	Low-Income (50%-80% AMI)	0.157	0.154
Isolation Index Regional Level	Moderate-Income (80%-120% AMI)	0.185	0.180
	Above Moderate-Income (>120% AMI)	0.467	0.435
Dissimilarity Index Degional Level	Below 80% AMI vs. Above 80% AMI	0.186	0.194
Dissimilarity Index Regional Level	Below 50% AMI vs. Above 120% AMI		0.248
Theil's H Multi-income	All Income Groups	0.034	0.032

Universe: Population.





4 APPENDIX 1: SUMMARY OF FINDINGS

4.1 Segregation in City of Piedmont

- The isolation index measures the segregation of a single group, and the dissimilarity index measures segregation between two different groups. The Theil's H-Index can be used to measure segregation between all racial or income groups across the city at once.
- As of 2020, white residents are the most segregated compared to other racial groups in Piedmont, as measured by the isolation index. White residents live in neighborhoods where they are less likely to come into contact with other racial groups.
- Among all racial groups, the white population's isolation index value has changed the most over time, becoming less segregated from other racial groups between 2000 and 2020.
- According to the dissimilarity index, within Piedmont the highest level of racial segregation is between Latinx and white residents. ¹⁶
- According to the Theil's H-Index, neighborhood racial segregation in Piedmont stayed the same between 2010 and 2020. Neighborhood income segregation stayed about the same between 2010 and 2015.
- Above Moderate-income residents are the most segregated compared to other income groups in Piedmont. Above Moderate-income residents live in neighborhoods where they are less likely to encounter residents of other income groups.
- Among all income groups, the Low-income population's segregation measure has changed the most over time, becoming less segregated from other income groups between 2010 and 2015.
- According to the dissimilarity index, segregation between lower-income residents and residents
 who are not lower-income has decreased between 2010 and 2015. In 2015, the income
 segregation in Piedmont between lower-income residents and other residents was lower than
 the average value for Bay Area jurisdictions.

4.2 Segregation Between City of Piedmont and Other jurisdictions in the Bay Area Region

• Piedmont has a higher share of white residents than other jurisdictions in the Bay Area as a whole, a lower share of Latinx residents, a lower share of Black residents, and a lower share of Asian/Pacific Islander residents.

¹⁶ The analysis conducted for this report suggests that dissimilarity index values are unreliable for a population group if that group represents approximately less than 5% of the jurisdiction's total population. ABAG/MTC recommends that when cities have population groups that are less than 5% of the jurisdiction's population (see Table 15 in Appendix 2), jurisdiction staff could focus on the isolation index or Thiel's H-Index to gain a more accurate understanding of neighborhood-level racial segregation in their jurisdiction.





• Regarding income groups, Piedmont has a lower share of very low-income residents than other jurisdictions in the Bay Area as a whole, a lower share of low-income residents, a lower share of moderate-income residents, and a higher share of above moderate-income residents.



APPENDIX 2: SEGREGATION DATA

Appendix 2 combines tabular data presented throughout this report into a more condensed format. This data compilation is intended to enable local jurisdiction staff and their consultants to easily reference this data and re-use the data in the Housing Element or other relevant documents/analyses.

Table 11 in this appendix combines data from Table 1, Table 2, and Table 3 in the body of the report. Table 12 in this appendix combines data from Table 6, Table 7, and Table 8 in the body of the report. Table 13 represents a duplication of Table 5 in the body of the report; Table 14 represents a duplication of Table 10 in the body of the report; Table 15 in this appendix represents a duplication of Table 4 in the body of the report, while Table 16 represents a duplication of Table 9 in the body of the report.

Table 11: Neighborhood Racial Segregation Levels in Piedmont

	Piedmont		Bay Area Average		
Index	Race	2000	2010	2020	2020
	Asian/Pacific Islander	0.159	0.181	0.200	0.245
loclation	Black/African American	0.013	0.013	0.011	0.053
Isolation	Latinx		0.041	0.066	0.251
	White	0.768	0.716	0.627	0.491
	Asian/Pacific Islander vs. White	0.030	0.012	0.009	0.185
Diocimilarity	Black/African American vs. White	0.082*	0.028*	0.006*	0.244
Dissimilarity	Latinx vs. White		0.106*	0.091	0.207
	People of Color vs. White	0.034	0.034	0.033	0.168
Theil's H Multi-racial	All	0.001	0.001	0.001	0.042

Universe: Population.

Source: IPUMS National Historical Geographic Information System (NHGIS). U.S. Census Bureau, 2020 Census State Redistricting Data (Public Law 94-171) Summary File, 2020 Census of Population and Housing, Table P002. Data from 2010 is from U.S. Census Bureau, 2010 Census of Population and Housing, Table P4. Data for 2000 is standardized to 2010 census tract geographies and is from U.S. Census Bureau, Census 2000, Table P004.

Note: If a number is marked with an asterisk (*), it indicates that the index is based on a racial group making up less than 5 percent of the jurisdiction population, leading to unreliable numbers.





Table 12: Neighborhood Income Segregation Levels in Piedmont

		Piedm	ont	Bay Area Average
Index	Income Group	2010	2015	2015
	Very Low-Income (<50% AMI)	0.051	0.078	0.269
loclation	Low-Income (50%-80% AMI)	0.046	0.012	0.145
Isolation	Moderate-Income (80%-120% AMI)	0.074	0.082	0.183
	Above Moderate-Income (>120% AMI)	0.846	0.845	0.507
Discipilarity	Below 80% AMI vs. Above 80% AMI	0.054	0.026	0.198
Dissimilarity	Below 50% AMI vs. Above 120% AMI	0.103	0.059	0.253
Theil's H Multi-racial	All	0.013	0.014	0.043



Table 13: Regional Racial Segregation Measures

Index	Group	2010	2020
	Asian/Pacific Islander	0.317	0.378
	Black/African American	0.144	0.118
Isolation Index Regional Level	Latinx	0.283	0.291
	White	0.496	0.429
	People of Color	0.629	0.682
	Asian/Pacific Islander vs. White	0.384	0.369
Dissimilarity Index Degional Level	Black/African American vs. White	0.475	0.459
Dissimilarity Index Regional Level	Latinx vs. White	0.301	0.297
	People of Color vs. White	0.296	0.293
Theil's H Multi-racial	All Racial Groups	0.103	0.097

Source: IPUMS National Historical Geographic Information System (NHGIS). U.S. Census Bureau, 2020 Census State Redistricting Data (Public Law 94-171) Summary File, 2020 Census of Population and Housing, Table P002. Data from 2010 is from U.S. Census Bureau, 2010 Census of Population and Housing, Table P4.

Table 14: Regional Income Segregation Measures

Index	Group	2010	2015
	Very Low-Income (<50% AMI)	0.277	0.315
Low-Income (50%-80% AMI		0.157	0.154
Isolation Index Regional Level	Moderate-Income (80%-120% AMI)		0.180
Above Moderate-Income (>120% AMI)		0.467	0.435
Dissimilarity Index Pagional Lavel	Below 80% AMI vs. Above 80% AMI		0.194
Dissimilarity Index Regional Level	Below 50% AMI vs. Above 120% AMI	0.238	0.248
Theil's H Multi-income	All Income Groups	0.034	0.032

Universe: Population.





Table 15: Population by Racial Group, Piedmont and the Region

	Piedmoi	Bay Area		
Race	2000	2010	2020	2020
Asian/Pacific Islander	15.78%	18.14%	20.03%	35.8%
Black/African American	1.22%	1.27%	1.08%	5.6%
Latinx	2.97%	3.95%	6.47%	28.2%
Other or Multiple Races	3.26%	5.09%	9.76%	24.4%
White	76.77%	71.55%	62.66%	5.9%

Source: IPUMS National Historical Geographic Information System (NHGIS). U.S. Census Bureau, 2020 Census State Redistricting Data (Public Law 94-171) Summary File, 2020 Census of Population and Housing, Table P002. Data from 2010 is from U.S. Census Bureau, 2010 Census of Population and Housing, Table P4. Data for 2000 is standardized to 2010 census tract geographies and is from U.S. Census Bureau, Census 2000, Table P004.

Table 16: Population by Income Group, Piedmont and the Region

	Piedmont		Bay Area	
Income Group	2010	2015	2015	
Very Low-Income (<50% AMI)	4.94%	7.75%	28.7%	
Low-Income (50%-80% AMI)	4.61%	1.04%	14.3%	
Moderate-Income (80%-120% AMI)	6.03%	6.85%	17.6%	
Above Moderate-Income (>120% AMI)	84.41%	84.36%	39.4%	

Universe: Population.





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